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COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920.

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SENATE, 26 AUGUST.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFURD MUNRO FERGUSON, [a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General
Minister for the Navy

The Right Honorable William Morris Hughes, P.C., K.C.

The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.

Succeeded by

The Honorable W. H. Laird Smith (28th July, 1920).

The Right Honorable Lord Forrest, P.C., G.C.M.G.

Succeeded by

The Right Honorable William Alexander Watt, P.C. (27th March, 1918.)†††

Succeeded by

The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920).

The Honorable George Foster Pearce.

The Honorable Edward Davis Millen.

The Right Honorable William Alexander Watt, P.C.

Succeeded by

The Honorable Littleton Ernest Groom (27th March, 1918).

The Honorable Patrick McMahon Glynn, K.C. ††

Succeeded by

The Honorable Alexander Poynton (4th February, 1920).

The Honorable Jens August Jensen.†

Succeeded by

The Right Honorable William Alexander Watt, P.C. (13th December, 1918).

Succeeded by

The Honorable Walter Massy Greene (17th January, 1919).

The Honorable William Webster. ††

Succeeded by

The Honorable George Henry Wise (4th February, 1920).

The Honorable Littleton Ernest Groom.

Succeeded by

The Honorable Edward John Russell (27th March, 1918).

The Honorable Edward John Russell.

Appointed Vice-President of the Executive Council, 27th March, 1918.

The Honorable Alexander Poynton.

Appointed Minister for Home and Territories, 4th February, 1920.

The Honorable George Henry Wise.

Appointed Postmaster-General, 4th February, 1920.

The Honorable Walter Massy Greene.

Appointed Minister for Trade and Customs, 17th January, 1919.*

The Honorable Richard Beaumont Orchard**

The Honorable Sir Granville de Laune Ryrie, K.C.M.G., C.B., V.D. ††

The Honorable William Henry Laird Smith.††

Appointed Minister for the Navy, 28th July, 1920.

The Honorable Arthur Stanislaus Rodgers.***

* Appointed 26th March, 1918.—† Removed from office, 13th December, 1918.—** Resigned office, 31st January, 1919.—†† Appointed 4th February, 1920.—††† Resigned 3rd February, 1920.—†††† Resignation from office gazetted, 15th June, 1920.—*** Appointed 28th July, 1920.

Senators.

(From 1st July, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

*Adamson, John, C.B.E. (Q.)	*Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O. (Q.)
Bakhap, Thomas Jerome Kingston (T.)	*Guthrie, James Francis (V.)
*Benny, Benjamin (S.A.)	Guthrie, Robert Storrie (S.A.)
Bolton, William Kinsey, C.B.E., V.D. (V.)	Henderson, George (W.A.)
*Buzacott, Richard (W.A.)	Keating, Hon. John Henry (T.)
*Cox, Charles Frederick, C.B., C.M.G. (N.S.W.)	*Lynch, Patrick Joseph (W.A.)
Crawford, Thomas William (Q.)	Millen, Hon. Edward Davis (N.S.W.)
De Largie, Hon. Hugh (W.A.)	*Millen, John Dunlop (T.)
*Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)	*Newland, John (S.A.)
*Duncan, Walter Leslie (N.S.W.)	*Payne, Hon. Herbert James Mockford (T.)
Earle, Hon. John (T.)	Pearce, Hon. George Foster (W.A.)
*Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)	Plain, William (V.)
Fairbairn, George (V.)	Pratten, Herbert Edward (N.S.W.)
Foll, Hattil Spencer (Q.)	Reid, Matthew (Q.)
*Foster, George Matthew (T.)	Rowell, James, C.B. (S.A.)
*Gardiner, Albert (N.S.W.)	*Russell, Hon. Edward John (V.)
*Givens, Hon. Thomas (Q.)	Senior, William (S.A.)
	Thomas, Hon. Josiah (N.S.W.)
	*Wilson, Reginald Victor (S.A.)

1. Appointed Temporary Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919. Sworn 21st July, 1920. 3. Appointed Temporary Chairman of Committees, 26th February, 1920.

* Elected 13th December, 1919. Sworn, 1st July, 1920.

points of the law. I do not hesitate to say that in some of the Departments the administration is rotten; at any rate, the Postal administration was never worse than it is to-day.

Mr. WISE.—It was worse when the honorable member himself was Postmaster-General.

Mr. AUSTIN CHAPMAN.—People did not then have to wait eighteen months for telephone installation, as I am told they have to do in Sydney to-day, although, at the same time, the Government are advertising telephones for sale by auction. I presume that the Victorian people are satisfied with the honorable gentleman's administration, seeing that we hear no complaints from them; but, however that may be, I shall give honorable members an opportunity to discuss these matters next week. As I say, I am dissatisfied with the distribution of war trophies, the delay in connexion with which is, I am sure, affecting the success of the Peace Loan. Everything now seems to be carried on by Committees and Commissions, and yet nothing is done.

Mr. RYAN (West Sydney) [4.0].—I wish to say a word or two, as a result of the attitude taken by the Assistant Minister for Defence (Sir Granville Ryrie) on two questions which I addressed to him to-day. I then stated that I had been reliably informed that on the 28th July last the Defence Department brought the Military Forces from Queenscliff and Swan Island to Melbourne, under arms, and with 9,000 rounds of ammunition.

Mr. LISTER.—I think we ought to have a quorum. [*Quorum formed.*]

Mr. RYAN.—I have been informed that the troops were brought to Melbourne for the purpose of being used in connexion with a meeting proposed to be held here, and that they were quartered in the Domain, where they were instructed how and when they were to fire.

Sir JOSEPH COOK.—What meeting was that?

Mr. RYAN.—A meeting that was proposed or suggested to be held in Melbourne.

Sir JOSEPH COOK.—Where?

Mr. RYAN.—On the 28th July.

Sir JOSEPH COOK.—Where?

Mr. RYAN.—The Forces were instructed in the Domain how and when they were to fire, and how and when they were to strike men and women with the butts of their rifles.

Sir JOSEPH COOK.—I do not believe it.

Mr. RYAN.—It is absolutely true, and when an honorable member asks a question of the sort of a Minister, he ought not to be refused a reply, because it is one of great public interest, not only to every member of the House, but to the whole of the public.

Mr. LISTER.—I beg to call attention to the state of the House.

There not being a quorum present,

Mr. Speaker adjourned the House at 4.6 p.m.

Senate.

Wednesday, 25 August, 1920.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

LEAGUE OF NATIONS.

AUSTRALIA'S CONTRIBUTION TO EXPENSES.

Senator KEATING.—I ask the Minister representing the Prime Minister if his attention has been directed to a press cable published in Melbourne yesterday to the effect that an officer, or intended officer, of the League of Nations has announced that Australia is the only Dominion that has, so far, failed to subscribe its proportion towards the upkeep of the League. If the statement is not correct, is the Minister in a position to say what the exact position is?

Senator E. D. MILLEN.—Whether the statement was correct when made or not I am not in a position to say, as that might be affected by an hour or two, but I can inform the Senate that authority has been given to pay the amount due by Australia.

**POSTMASTER-GENERAL'S
DEPARTMENT.**

TELEPHONE SUBSCRIBERS.

Senator PRATTEN.—I ask the Vice-President of the Executive Council whether he has yet received a reply to questions I asked in July last, with respect to the number of telephone subscribers and applicants for the installation of telephone services.

Senator RUSSELL.—On the 21st July the honorable senator asked the following questions:—

1. What is the number of telephone subscribers in each State as at 1st July, 1920?

2. What is the number of applicants waiting for the installation of telephone services on their premises as at July, 1920?

(Totals for capital cities, suburbs, and country to be given separately.)

I promised that the information would be obtained, and I am now in a position to furnish the following reply:—

	N.S.W.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	
1 City ...	10,414	11,673	5,983	5,752	3,711	2,067	
Suburbs ...	31,537	20,678	2,950	4,636	2,204	251	
Country ...	27,201	15,023	12,607	3,931	3,521	2,887	
2 City ...	517	347	295	230	100	51	
Suburbs ...	3,770	1,104	252	355	28		
Country ...	879	740	92	656	44	85	

PAPERS.

The following papers were presented:—

Commonwealth Government Line of Steamers: *Resumé* of operations.

Census and Statistics Act.—Regulations.—Statutory Rules 1920, No. 127.

Norfolk Island.—Ordinance No. 1 of 1920.—Preserved Fish Bounties—together with Regulations thereunder.

Seat of Government.—Ordinance No. 1 of 1920.—Meat—together with Regulations thereunder.

War Service Homes Act.—Land acquired at—

Auburn, New South Wales.

Islington, Newcastle, New South Wales.

Newbottle, Waratah, New South Wales.

Commerce (Trade Descriptions) Act.—Regulations amended.—Statutory Rules 1920, No. 141.

Customs Act.—Proclamation dated 11th August, 1920, revoking so much of previous proclamation as relates to the exportation of Superphosphate, &c.

SHIPPING.

GOVERNMENT ACTIVITIES—ORIENT MAIL CONTRACT.

Senator THOMAS.—I ask the Minister representing the Prime Minister whether he is yet in a position to give me the information with respect to the shipping activities of the Government for which I asked some time ago.

Senator E. D. MILLEN.—I now lay on the table of the Senate the following statement dealing with the scope and operations of the Commonwealth Government line of steamers. With regard to the honorable senator's inquiry respecting the mail contract with the Orient Company, I may say that this matter is now under the consideration of the Government.

COMMONWEALTH GOVERNMENT LINE OF STEAMERS.

RESUME OF OPERATIONS.

The fleet of fifteen cargo steamers purchased in 1916 by the Prime Minister formed the nucleus of the Commonwealth Government Line, which now controls thirty-nine vessels, of an aggregate gross tonnage of 161,068 tons. These comprise twenty-three Government-owned vessels (including five wooden steamers built in America) and sixteen ex-enemy vessels.

The object in establishing the Line was to provide for the transportation of Australian produce to the markets of the world. The primary object was not profits, but rather to prevent Australia being isolated through the world's shipping disruption, brought about by the war.

After operating for two years, the Line showed a net profit of £903,499, adequate provision having been made for depreciation and renewal reserve. In the year 1918-19 the net profits amounted to £1,160,034. The estimated net profits for the year 1919-20 are £220,000, the decrease being accounted for by the extended maritime strike on the Australian coast, which resulted in practically the whole of the Commonwealth fleet being laid up in Australia for periods varying from two to four months.

Another factor which has materially contributed to the decrease is that, owing to the congestion of shipping, which prevailed in the whole of the ports in the United Kingdom, vessels have taken abnormally long periods to discharge and load.

Supplemental to the establishment of the Commonwealth Line, the Government has undertaken an extensive shipbuilding scheme.

The benefits to the Australian people of the establishment of the Line cannot be measured by the direct profits of its operations. The following are amongst the outstanding benefits which have accrued to shippers since, and as a result of, the inauguration of the service:—

- (a) The prevention of material increases in freights similar to those which have taken place in other trades;

- (b) the application of the terms and conditions of the Australian Sea Carriage of Goods Act to outward bills of lading;
- (c) the amendment of the valuation clause in the bills of lading;
- (d) the provision of opportunities for direct shipment from all United Kingdom main ports; and
- (e) the fostering of the advancement of Australian trade and the preclusion of any opportunities for any combination of ship-owners to exercise their powers in a way detrimental to Australian interests.

As showing the advantages which have been provided by the Line, it may be mentioned that Australian products, particularly wheat, were piling up in the stores, and were urgently required elsewhere for national purposes. The Government Line afforded material assistance in connexion with freights, which were at times very much below the world's ruling rate. On general cargo the Commonwealth Line charged the same rates of freight as the ordinary lines, but have never exceeded £7 10s. per ton for wheat.

When the rate was fixed in February, 1918, at £7 10s., inquiries made by chartering agents in London indicated that the ruling rate for British vessels at that time might be calculated as being £11 10s. per ton. As a matter of fact, British vessels were quite unobtainable, even at that figure, and at this time neutrals refused £13 15s. per ton for the same work, *i.e.*, full cargoes of wheat. Parcels of wheat were carried at in and around £7 10s. per ton by other lines, but the rates quoted refer, as mentioned, to full cargoes.

In addition to carrying cargo overseas, many of the vessels controlled by the Line have been utilized to relieve the congestion on the coast of Australia, whilst others have been used for the carriage of phosphates from the islands.

The following figures show the cargo carried by the Government-owned vessels from the inception of the Line to 30th June, 1920:—

Cargo carried from United Kingdom to Australia ..	429,439 tons
Cargo carried from Australia to United Kingdom ..	449,051 tons
Australian coastal cargo carried ..	180,576 tons
Total	1,059,066 tons

In addition to the cargo handled by the Government-owned vessels of the Line, the enemy fleet, during the time it has been under the management of the Commonwealth Line (from about June, 1918), has carried the following cargo up to 30th June last:—

Cargo carried from Great Britain to Australia ..	266,898 tons
Cargo carried from Australia to Great Britain ..	212,757 tons
Australian coastal cargo carried ..	109,174 tons
Total	588,829 tons

The Commonwealth Line has had to face the strongest competition of the British Shipping Combine, which have threatened traders that, in the event of their shipping by the Commonwealth Line, space would not be available for them on any of the Conference boats. In some cases, this threat has been actually carried into effect. Furthermore, shippers by the Commonwealth Line are liable to lose any rebates accruing to them from shipments made by them on Combine steamers. Notwithstanding this opposition, the Commonwealth has received a fair share of support, and recent advices from the officials of the Line indicate that for some time past there has been a steady weekly increase in the amount of privately-owned cargo shipped by the Commonwealth vessels from the United Kingdom.

It is not the intention of the Commonwealth Government at the present time to undertake the carriage of mails between Australia and Great Britain, for the reason that the vessels which are at present owned and being built by the Commonwealth Government are essentially cargo steamers, and are unsuitable both as regards speed and accommodation for mail steamers.

AUDIT BILL.

Bill (on motion by Senator E. D. MILLEN) read a third time.

BUTTER AGREEMENT BILL.

SECOND READING.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.8].—I move—

That this Bill be now read a second time.

For, I think, the last three years in succession we have adopted the practice of selling collectively to Great Britain the surplus of our exports. There was a general desire on the part of the Government, and, I think, also on the part of most of the dairymen of Australia, that this year, with respect to the surplus export of butter, there should be a free market. However, the British Government decided definitely to control the distribution of butter until the 31st March of next year. Honorable senators will recognise the position in which that places Australian producers. We produce more butter than is required to meet local consumption, and we naturally desire to export our surplus to the best market. With the exception of a normal trade with the East, there is not much prospect of a market for our surplus butter outside of Great Britain. This year the dairymen through their organizations, and not the Government as in previous years, have combined to deal

collectively with the Imperial Government. The Federal Government are not interfering in the matter, but there is a risk that the price offering for butter in Great Britain may be so high that individual producers may be tempted to endeavour to secure an unduly high price for their butter, and in that case Australia might be left without a sufficient supply to meet local requirements. The Bill is practically limited to one clause, giving to the Butter Pool, composed of people interested in the dairying industry, the control of the export of butter. Power is given to the Commonwealth Government in the circumstances to prevent the exportation of butter by individuals. In a possible extreme case the Government may exercise the power to temporarily impose an embargo on the export of butter to enable the local market to recover, and to secure that our own people shall be supplied. This is not quite normal trading, but that is due rather to conditions determined by Great Britain than to anything we have done ourselves. Still, it is a step towards that free market which all of us hope will very soon be established. A contract has been made between the producers of Australia and the British Government for the sale at 240s. per cwt. of all our surplus butter graded at 90, with a difference of 1s. per cwt. per point, up or down.

Senator PRATTEN.—Does not the Minister think that the Bill will have to be amended, in view of the price of 270s. mentioned in this morning's press?

Senator RUSSELL.—Parliament cannot be guided by newspaper rumours. I have made inquiries, and find that no official information has been received regarding the matter mentioned by the honorable senator. The British Government has entered into the contract and signed it, and it has been signed, also, by the representatives of the Australian butter producers. It is therefore not likely to be altered now.

Senator PRATTEN.—Is there any provision for a share of any extra profits to go to the producers?

Senator RUSSELL.—No; the Australian producers appealed to the British Government not to stipulate for any of those conditions. They wanted a straight-out flat rate, and the British Government granted their request.

Senator KEATING.—In any event, the contract has been completed.

Senator RUSSELL.—Yes, definitely. I have cables here to that effect.

Senator J. F. GUTHRIE.—Do the co-operative butter companies approve of this Bill?

Senator RUSSELL.—Yes. The representatives of the whole of the dairymen of Australia have met on at least half-a-dozen occasions. They themselves put up the offer to the British Government, and I understand they have accepted the contract in its entirety. They ask us to pass this Bill to protect them, so as to enable the contract to be carried out. It is impossible to get every man into a Pool, and it is the Pool that has to take the responsibility of finding and delivering the goods. We may have a good season, and an exportable surplus of 50 per cent., which will mean that every factory will have to put 50 per cent. aside for local requirements. The Commonwealth Government do not control the price, but they are not unmindful of the fact that there are in existence State Commissioners who may fix the price locally. If they fixed it at 1s. less than the British Government offer, every dairyman would want to export the whole of his butter with the result that Australia would be left without at a pinch. The object of this Bill is to distribute equally, not only the profits, but the responsibility, to each factory, so that one will not be exporting all its butter, and the other selling it in Australia.

Senator J. F. GUTHRIE.—Then the butter factories approve of it?

Senator RUSSELL.—Yes. We give the Dairy Produce Pool Committee power to control supplies effectively, and to organize the scheme scientifically. The whole control remains in the hands of the butter producers of Australia.

Senator PRATTEN (New South Wales) [3.14].—I do not wish to oppose the Bill in any way, but, judging by information which has appeared from time to time in the daily press, butter, the product of the dairymen of Denmark and Canada, is already bringing a higher price on the British market than the price fixed in this contract. In the press this morning, too, we saw that 270s. was mentioned as the price that was to be given ultimately by the British Government for the surplus butter of Australia. In view of these

statements, and of the uncertainty of the position in Great Britain just now, I question to some extent the wisdom of selling straight out at a fixed price that may be decidedly, so far as comparison with the world's markets is concerned, against the interests of the butter producers of Australia.

Senator E. D. MILLEN.—The butter producers themselves have agreed to sell butter at this price.

Senator PRATTEN.—Probably the bulk of the butter producers of Australia have entered into this agreement, through their representatives, Mr. Sinclair and Mr. Osborne, in London, with their eyes open. A suggestion was made in another place to put the matter again to the whole of the dairymen concerned, but that is, I think, wholly impracticable. I clearly see that if the world's parity for butter is going, during the currency of this agreement, to be at a very high price, some reasonable arrangement will have to be made through Government intervention in order to safeguard supplies for the Home market, but what is going through my mind is that, during the last twelve months, the world's parity for butter has been rising instead of falling. If it is not too late, I should like to see some such clause incorporated in this transaction as was put in the wool agreement by the Prime Minister (Mr. Hughes), whereby if the British Government obtained a very much higher price from the consumers in Great Britain than they gave the Australian producer, then the Australian producer should at least get a part of the difference. There seems to me every indication that the world's parity for butter is probably going higher than 240s., rather than lower, during the currency of this agreement. Consequently, if we could get something incorporated in the agreement to that effect, I believe it would be for the benefit of the producers, and if the agreement left them with a comparatively low world's parity, there would not be anything like the same dissatisfaction at the end of the contract as there may be in view of the world's butter market again soaring up, and Danish, Canadian, and Irish producers getting about 300s., while the Australian producer receives only 240s. I see the reason for the Bill, and the principles that rightly guide the Government with regard to controlling export while a

contract such as this is current. I see also the great advantages to the producer, but I am sounding a note of warning in connexion with a possible low comparison, again to the disadvantage of the Australian producer, and suggesting also some way by which, even if they agree now to the 240s., they will not be able to criticise so much if the world's prices go against them.

Senator KEATING (Tasmania) [3.18].—I have listened with interest to what Senator Pratten has had to say, especially in comparing the proposed arrangement with that in respect of wool, but the conditions under which this contract has been entered into are totally different from those which prevailed at the time of the wool contracts. Then we were undoubtedly in a period of war, and the Commonwealth Government had, and was exercising, powers which it does not purport to have or to exercise now in respect of this contract. The Commonwealth Government is not entering into this contract for the sale of butter at all. As a matter of fact, prior to the contract being entered into, the Government was in communication with the Home authorities in the interests of the dairy producers of the Commonwealth in order to ascertain if it was likely that the Home authorities, through the Food Controller in Great Britain, would require for the coming year, as they required during the period of the war, the surplus products of the Commonwealth in butter, and, I think, also cheese. It was only after considerable correspondence that the Government was able to get any information from the Home authorities. The Government has recognised that it will not control butter as it controlled commodities during the war.

Senator PRATTEN.—But this Bill gives us a responsibility.

Senator KEATING.—No; if the honorable senator looks at the Bill, he will see that it does not. The dairy producers of the Commonwealth met and considered the circumstances. They were desirous that trade should be freed from the restrictions that prevailed during the war. They were prepared, through their own representatives, to negotiate direct with the British Government if the latter decided to continue the control of butter and cheese. As a matter of fact, cheese has been de-controlled. But the British

Government have resolved to continue the control of butter until the 31st March of next year, and they were prepared, through the Food Controller or the authorities in the Old Country, to enter into a contract for the purchase of the surplus butter supplies of the Commonwealth. The Dairy Producers Association appointed representatives to negotiate directly with the British authorities for the sale to the latter of the surplus butter of Australia at 240s. per cwt.

Senator J. F. GUTHRIE.—For how long has that price been fixed?

Senator KEATING.—Until the 31st March of next year. Now, the British authorities naturally turn round and say to the producers, "How are you going to carry out this contract? Suppose that some members of your organization choose to send their butter to America, or to the East, or elsewhere, where they can obtain a better price for it, where shall we stand?" They, therefore, come to the Commonwealth Government, and say, "Will you see that this contract is enforced?" In reply, the Government say, "Our powers are limited, but we have an unlimited power over export, and we shall make provision by law that there shall be no export of butter from the Commonwealth except in conformity with the terms of the contract into which our producers have entered with you." We are simply assisting the Imperial authorities—

Senator E. D. MILLEN.—And we are doing it at the wish of both parties.

Senator KEATING.—We are safeguarding the British authorities, and our dairy producers are quite willing that we should do so. If the price paid for Danish or Irish butter in Great Britain goes to 270s. or 280s. per cwt., how can we say that the producers of the Commonwealth shall get a corresponding rise? Senator Pratten may take it for granted that the negotiations which led up to this contract did not entirely ignore considerations of that kind. Mr. Sinclair and the other representative of our dairy producers in London would undoubtedly advert to the possibility of fluctuations in the price of butter. But they have entered into a firm contract with the British Government, and the latter desire that that contract shall be fulfilled. All that the Commonwealth Government wish is that our producers

shall adhere to the terms of that contract. As far as possible, we seek to insure that they shall do so, by regulating the export of butter. We are not a party to the contract in any way, but to some extent we are guaranteeing its performance, and giving an assurance to the Imperial authorities that its provisions will be respected.

Senator E. D. MILLEN.—We are creating an authority to make the agreement effective.

Senator KEATING.—Exactly. The British authorities will recognise that the Commonwealth Government have done all that it is in their power to do when they restrict exportation to an extent that will insure the fulfilment of the contract which has been entered into by our producers.

Senator PRATTEN.—Does not the honorable senator see that this Bill is an endorsement of that contract?

Senator KEATING.—I am not going to quarrel about terms. If our dairy producers choose to sell their butter at 200s. per cwt., the Commonwealth is not going to question the wisdom of that policy. We are not concerned with the conditions of the contract. Our dairy producers have made their own arrangements with their eyes open, and, having done so, all that this Parliament can do is to see that they fulfil the contract.

Senator FAIRBAIRN (Victoria) [3.26].—I see no objection to this Bill, but, if the whole of our exportable surplus of butter has been sold to the British Government, is it the intention of the Butter Pool to entirely cut out the Eastern trade? The markets in India, Batavia, Java, Hong Kong, and a number of other places have been worked up over a series of years.

Senator RUSSELL.—Under the contract our producers have retained all their regular markets, such as South Africa and the East.

Senator FAIRBAIRN.—Then I see no objection to the measure.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.27].—Most of the arguments which have been advanced upon the motion for the second reading of this Bill have been effectively answered by other speakers. Reference to the cable shows that the price obtained is 240s. per cwt. f.o.b. Our producers have conserved their right

to export direct to South Africa and the Eastern markets which naturally belong to Australia. As Senator Keating has pointed out, the Government have nothing whatever to do with the terms of the contract. The butter producers of the Commonwealth sent two representatives Home to negotiate that contract—I refer to Mr. Hugh Sinclair, an ex-member of the House of Representatives, and Mr. Osborne, one of the principal handlers of butter in this State. They have entered into this contract and we merely desire to assist them to give effect to it. Until recently we could have granted them the necessary assistance under the powers conferred upon us by the War Precautions Act. But, as that Act has ceased to operate, our powers are limited to those conferred by Customs legislation.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 agreed to.

Clause 2 (Power to prohibit export of butter, except on certain terms).

Senator PRATTEN (New South Wales) [3.29].—This clause raises the question of the powers conferred upon us by the Customs Act 1901-16, to prohibit exports. I was under the impression that Parliament had power to prohibit the import or export of practically anything. As, however, the clause which we are now considering seeks to vest in the Governor-General the power to prohibit the exportation of butter, I assume that the Government have been advised that, under our Customs legislation, there is not complete power to prohibit the export of butter.

Senator RUSSELL.—We have been advised by the Crown Law authorities that the power conferred by the Customs Act is not complete, and, as the War Precautions Act has ceased to operate, we cannot prohibit the export of butter, except in the way that is now proposed. The Customs power is not sufficiently wide, then, to cover the authority recently exercised in regard to exports and imports under the War Precautions Act, and the powers under the Customs Act of 1901-16 will in future be confined to such articles as can be prohibited under that Act. The prohibition, therefore, of the export of

butter, wheat, wool, and general merchandise, and the importation of such commodities as sheep-dip or other material will have to be under special Acts.

Clause agreed to.

Clauses 3 and 4, preamble and title agreed to.

Bill reported without amendment; report adopted.

WAR SERVICE HOMES BILL.

SECOND READING.

Debate resumed from 19th August (*vide page 3636*), on motion by Senator E. D. MILLEN—

That this Bill be now read a second time.

Senator REID (Queensland) [3.34].—I desire to congratulate the Minister for Repatriation (Senator E. D. Millen) on the work that has been so successfully accomplished by the Department. The Minister stated during the course of a very able and interesting second-reading speech that he had received congratulations concerning the nature of the work that is being performed from men engaged in the business. As one who has had some experience in connexion with the building trade, and having had an opportunity of inspecting some of the cottages that have been constructed by the Department, I desire to express my appreciation of the satisfactory manner in which the work has been carried out. It must be readily admitted by those who have inspected the buildings constructed by the Department that they contain many conveniences, and our soldiers doubtless feel grateful to the Department for providing such satisfactory homes when building material is expensive and labour scarce. I am glad that the Minister for Repatriation is taking steps to prevent trafficking in properties on the lines mentioned, because it would be unfair if others were allowed to become the owners of homes originally constructed for soldiers.

I desire to bring before the Senate certain information that has been supplied to me by the Builders' Association in Brisbane. There is a feeling abroad in Queensland—I do not know if there is any justification for it, but it should be made public—that the buildings constructed by the Department are costing more than they would if erected by private contractors.

Senator E. D. MILLEN.—I can give a definite and personal assurance that such is not the case.

Senator REID.—I am very pleased to have the Minister's assurance. Certain members of the Builders' Association in Brisbane whose sons went to the war wish it to be clearly understood that they are quite willing to do their best to help in erecting soldiers' homes. I am personally acquainted with some of the builders who took contracts for the erection of homes, and who, owing to the increase in the price of material, lost money on houses that were erected through the Commonwealth Bank. They are not finding fault, because they undertook the work at too low a cost, and they would have been quite satisfied if they could have completed their contracts without showing a profit. I should like the Minister for Repatriation to make it clear whether or not more homes in Queensland have been erected through the Commonwealth Bank than by the War Service Homes Department. It has been stated that soldiers are occupying many homes erected through the Commonwealth Bank, and that the number built by the War Service Homes Department is very small. The members of the Builders' Association in Queensland also state that if the War Service Homes Department intends continuing erecting houses as at present in opposition to private contractors the Department should have to tender under the same conditions as the private contractors, in which case the contractors price would, they think, be lower. The Minister for Repatriation stated that, owing to the quantity of material the Department was able to purchase, it was able to do the work cheaper, and it must be admitted that under such circumstances the Department is in a satisfactory position. Notwithstanding this, the builders have said that if the Department had to tender under the same conditions as they have to observe, they believe that they could build them at a reduced cost. Whether that is so I do not know.

Another phase which I desire the Minister to explain clearly concerns the point that the Department is not free to engage labour how and where it likes. No person can be engaged on the building of war service homes without the Government Department first going cap-in-hand

to the Trades Hall, from which source it has to take the first individual who may be sent along.

Senator E. D. MILLEN.—To what part is the honorable senator referring?

Senator REID.—To Brisbane. I do not object to the Government approaching the Trades Hall if it can get the best men available by so doing. I understand, however, that the Department has no option; it is bound to go. If such is the case, it indicates a serious position, into which not only the Government, but many other people are drifting. The Department has handled the problem of material very well; but why should it be bound to the Trades Hall in the matter of securing labour? The situation introduces an associated question of considerable importance to the public. I refer to the opposition of the Trades Hall to the employment on war service home buildings of apprentices and improvers. Antagonism in this respect is so strong that the whole of the Government buildings are being erected without apprentices or improvers being taken on. The Minister must see the dangerous position which this is creating, and how the public, through private building activities, is becoming involved. Outside builders have been largely taking on returned soldiers as improvers, and have been doing their best to absorb them from instructional institutions. The practice is good, both for the returned man himself and for the community. But if in the work of building war service homes returned men may not be taken on as improvers, the matter is surely serious. It is "up to" the Government to take a stand and a lead in this matter, and not only to do this, but to see that fair and proper wages are paid to all men engaged. I repeat that I do not find fault personally in regard to the matters which I have brought forward, but merely give the various statements as they have been handed to me.

In conclusion, I again congratulate the Minister for Repatriation (Senator E. D. Millen) on the character of the homes which have come under my personal notice, chiefly in Victoria. They are of a most useful type, and very compact, and are being constructed at exceedingly reasonable prices in view of the high cost of material.

Senator Sir THOMAS GLASGOW (Queensland) [3.45].—I desire to add my congratulations to those expressed by the honorable senator who has just resumed his seat. I welcome this amending measure for the chief reason that it proposes to raise the amount which the Department can advance to a soldier from £700 to £800. This should enable a man whose application has been recently approved to secure a home similar, in the matter of value, to those which were obtained at the commencement of the operations of the Department. I have been pleased also to note that the Bill intends to make an effort to prevent trafficking. I am sure the Department is out to deal as best it can towards our returned men as a whole, and not to pick and choose individually. If those who have taken advantage of the provisions of the War Service Homes legislation at its earliest stage are now going to make an effort to acquire a bonus, and so prevent others from benefiting by the Act, the Government will be quite right in endeavouring to stop trafficking. There is one type of returned men, however, which has not been able to benefit under the Act. I refer to a class who went away and did extraordinarily good work at the Front, namely, Queensland miners. Land on the Queensland gold-fields is held, within a town boundary, on residence lease, and, outside the boundary, on gold-fields homestead lease. Under the War Service Homes legislation the Government will not make an advance for the acquirement of a home on land other than freehold. I realize the difficulties of the Department, but I would ask the Minister (Senator E. D. Millen) to give the Commissioner discretionary powers to enable him either to acquire a home which has been already built on a miner's homestead lease, or to advance money for building thereon. In Queensland some of the fields have been worked out, and have become dairying or farming centres. If homes were erected in those parts, the nature of the tenure would be quite as good as freehold. On fields likely to be worked out the security might decrease; but the Commissioner happens to have had personal business experience on a Queensland gold-field, and he knows the conditions. If he were given discretionary power, as I have indicated, the concession would be appreciated by very many.

I again congratulate the Minister on the good work of the War Service Homes Department, and, also, on the work of repatriation generally.

Senator ELLIOTT (Victoria) [3.49].—I desire also to congratulate the Minister for Repatriation (Senator E. D. Millen) and the Government upon their efforts to do justice to our returned soldiers. There are one or two points arising from the Bill which I would like to bring forward for consideration. Clause 10 provides for the granting of advances up to £800. For some time the amount of £700 has not been sufficient with which to pay for the erection of a suitable house, and the consequence has been that numbers of soldiers have privately raised sums of £100 or £200 additional, in order to make up the £800 or £900 required to build. I would like the Government to give consideration to such cases, and to be prepared to make an advance of another £100, which would be availed of, in very many cases, to relieve the financial straits to which men have been reduced owing to the original grant having been limited to £700. This applies particularly to a number of men who, although they were aware of the intention of the Government to increase the amount of the advance, were forced to obtain homes immediately. They have entered into contracts under which they have been called upon to deposit with the Deputy Commissioner sums amounting to £200 or £300, and in some cases they have had to make arrangements to borrow this money, often on hard terms. There is no reason why they should be debarred from the benefits of this Bill, and it would not be too much to ask that the decision to advance up to £800 should be made retrospective to at least the commencement of the present year. If that is not done, a returned soldier who has been compelled to make his arrangements to secure a home within the last few months will be placed at a disadvantage as compared with those who have been in a position to wait until the passage of this measure. I trust that the Minister will agree to some amendment of the Bill which will meet such cases as those to which I have referred.

I notice further that when a person ceases to be eligible under the Bill the Commissioner may call up the money advanced to him.

Senator E. D. MILLEN.—To what clause is the honorable senator referring?

Senator ELLIOTT.—To clause 14. A person may apparently cease to be an eligible person, though I confess that I do not quite know how that can arise. It may be that where a widowed mother has received an advance, and dies, leaving the property to a daughter, the daughter may not be regarded as an eligible person under the Bill.

Senator E. D. MILLEN.—There would be no interference in such a case.

Senator ELLIOTT.—I do not quite see how otherwise any one can cease to be an eligible person under the Bill.

Senator E. D. MILLEN.—The object of the Bill is to find a home for any eligible person. A person wants only one home, and if, for instance, two eligible persons married, one would cease to be eligible, because only one home would be required for both.

Senator ELLIOTT.—It will be interesting to know which of the two in such a case would cease to be eligible. If a soldier is left a home by his father, and becomes the owner of land, will his money be called up?

Senator E. D. MILLEN.—If the honorable senator will read the next sub-clause he will find that whilst it is legal for the Commissioner in such a case to call up the amount, the man is not bound to find the money. He may say, "I will not do that; I prefer that you should pay me back my interest in the house."

Senator ELLIOTT.—That might not be just in every case. I should also like to see some provision made for disabled soldiers. I have heard of cases of men deprived of both legs and arms, and it should be possible for us to provide such men with homes during their lives. It would not be necessary that the homes provided for them should become their freehold property, but I do think that such men should be given a life interest in a home. If the objections I have urged are met by some amendment of the measure, this can be made an admirable Bill.

Senator NEWLAND (South Australia) [3.55].—I also congratulate the Minister for Repatriation (Senator E. D. Millen) on the very excellent and informative speech he delivered in introducing this Bill. It is always a pleasure to listen to the honorable senator on this subject, because there can be

no doubt that he has made himself master of the business of repatriation from the commencement. With other honorable senators, I congratulate the Minister on the fact that the promise to increase the advance for war service homes from £700 to £800 is redeemed in this measure. For a considerable time, it has been almost impossible for a returned soldier to secure anything like a decent home in any part of Australia for £700. The difficulty has been to some extent intensified by the statement of the intention of the Government to increase the advance. That has had the effect of inducing contractors to raise their prices. In the meantime, the cost of building material has gone up, and now in the metropolitan areas of any of the capital cities, it is practically impossible to get a home built for £700. A good many returned men have put their war gratuity bonds into these homes, and have raised money by other means to make up the extra cost of the homes provided for them.

I hope that the erection of soldiers' homes will be proceeded with more rapidly in the future than has been the case in the past. Although the record furnished by the Minister is a splendid one, the War Service Homes Department is still a long way behind in meeting the demands of returned soldiers for homes. I am not quite sure whether the Minister in the figures he gave last week, included homes that are being built in South Australia.

Senator E. D. MILLEN.—No; the figures I gave included only homes built under the authority of the Act.

Senator NEWLAND.—So I understood. I mention the matter, because if the figures for South Australia were included, they would add materially to the number of homes being erected for the Department. Whilst the Department is not erecting homes in South Australia, they are being erected there for returned soldiers, and apparently the Department is quite satisfied with the work that is being done in that State for returned men.

I recognise that it is not competent for honorable senators, in discussing this measure, to go beyond the scope of the amendments of the existing law which are proposed, but I very much desire to call attention to one or two matters which should be included at an early date in

the general provisions for the benefit of returned soldiers. I take advantage of this opportunity to call attention to some requests that have been submitted to me. I may mention that returned men suffering from tuberculosis have complained that they are not receiving by way of pension as much as they think they should receive, and some claim that they should be provided with an increased permanent pension. We know that many of our soldiers were afflicted in various ways with tuberculosis during the war, and whilst a fair number of those attacked by the disease have recovered under treatment, and a considerable number have been given very great relief, there are some who unquestionably have been sentenced to death, and must only struggle on until the end. Those men ask that they should receive permanent pensions.

The PRESIDENT (Senator the Hon. T. Givens).—Order! This is not a Pensions Bill. The matter to which the honorable senator is now referring is not relevant to the provisions of this Bill.

Senator NEWLAND.—I hope that if the Minister for Repatriation can see his way to do anything for returned men who are not being benefited under the provisions of this Bill, he will endeavour to do so in the direction I have indicated.

I am not quite sure whether, under the definition clause of this Bill, members of the Australian Naval Forces who were called up for home service, but did not get to the Front, are included amongst the beneficiaries under the measure. I refer to men employed on guard ships, in fortresses, in the protection of wireless stations, and so on. They have complained from time to time about their exclusion from the provisions of the War Service Homes Act. There was no question of their voluntary enlistment, they were called up and went willingly, wherever they were sent, and I direct the attention of the Minister to their case. The men of the Garrison Artillery, who were not permitted to go to the Front, but who rendered in Australia such service as they were called upon to perform, also think that they should be included. I should like to know whether these men will, under the definition clause, be included in the beneficiaries under the War Service Homes Act. If they are not, I hope that something will be done to bring them under the provisions of the law.

Senator PRATTEN (New South Wales) [4.5].—I rise only to urge the Minister, now that the new war loan is making money more freely available to the Commonwealth Government for the purposes of this Bill, to expedite as far as he possibly can those cases of war service homes which are being purchased by the soldiers under this Bill and not being erected. I can quite understand that, owing to delays with regard to material and delays with regard to labour, and the many thousands of applications already before the Minister (Senator E. D. Millen), the erection of war service homes must go on much more slowly than we would like, but there is no reason whatever now why the homes already built and ready for occupation should not be transferred to the soldiers more expeditiously. I know that, in cases of this sort, some delays have occurred in New South Wales, but I thought that was due to financial stress.

Senator E. D. MILLEN.—There has been no dearth of money.

Senator PRATTEN.—Then the cause of the delays must be in the Department, and I should like the Minister to issue instructions that reasonable expedition is to be exercised, to enable soldiers to occupy houses which are already built, and which the Department approves. In the case of a soldier who buys a home for £1,000, and is willing to put down a deposit of £200 or £300 of his own money, and asks the Department for the loan of the remainder, I see no reason, once the valuation is through from the Department, and once it has been ascertained that the Department will have full and reasonable security for the £700 or £800 that it will advance, why the transaction should not be quickly completed. In all the circumstances, I feel that the Minister's good work, as expressed in the figures he has given the Senate from time to time, will be added to if a little more expedition can be shown in this branch of the activities of the War Service Homes Commission.

Senator ROWELL (South Australia) [4.9].—I am pleased that the Government have brought down this Bill to increase the amount to be lent to returned soldiers for the purchase of houses. I know that a good many returned soldiers found that the small amount of £700 allotted to them was not sufficient to obtain a home which

was at all suitable for them, especially if they had children, in view of the prices of material and labour and various other things. I am sure that this Bill will help to some extent those men who want better homes. I am rather sorry that the Government have not seen their way clear to go a little further with regard to the people that can have these homes. I see no reason why men who have served in the wars of the Empire should be debarred from coming under the Act. The men who fought in the South African war had no gratuity given to them when they returned. Some of them suffered very severely over there, and I would impress on the Minister the desirableness, if he possibly can, of making provision by which at least those men who served in South Africa may come under this legislation. I do not think that at this stage it would mean very many or make a great difference to the Government. As president of the Association in South Australia, which has about 300 members, I know that a few of them would like to come under the provisions of this Bill, and I wish the Minister could see his way clear to open the door so as to allow them to enter.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [4.11].—I am naturally not only gratified at the tone of the short speeches that have been made on this measure, but also encouraged, as I feel certain the Commissioner will be when he learns of them.

Senator Reid, frankly admitting that he voiced opinions expressed by building contractors, raised a doubt as to whether the Commissioner was constructing the houses within his own estimate. I interjected that the honorable senator could rest perfectly certain on that point. I have received, in response to definite and pointed inquiries, the most positive assurances from the Commissioner that his Department is working to the figures with which he has supplied me. In saying that, I do not mean that in every case the estimate has not been exceeded by a pound or two, but I do say that, on the figures supplied to me, I am justified in stating that any increase over the estimate has been negligible, and that, even when allowance is made for it, the Housing Commissioner is building at a substantial reduction on the prices at which tenders have been received. I re-

mind the Senate of the discrepancy between some of the tenders and the prices at which the Commissioner has built. There was one group of 150 houses for which tenders were called. The tenders received averaged £791 each, as the contractors' price, without including the cost of the land. The Commissioner's estimate was £597 each, to which has to be added the cost of the land, in order to obtain a fair comparison. Even when the price of the land is added, it will be seen that the Commissioner is not only keeping within the limit of the Act, which he would have exceeded if he had accepted tenders, but is also obtaining houses for these soldiers at prices ranging from £50 to £70 less than the contractors offered to supply them for, and is, in addition, giving them the land practically for nothing, because the contractors made no allowance for that. The land was found for the contractors, yet they wanted £791 to build each house, whereas the Commissioner's price was £597. In that case the Commissioner's cost of building panned out at £603, confirming the statement I made just now that any little excess over the estimate was negligible. Even then, adding the price of the land, which would be somewhere about £50 or £60, the Commissioner provided the land and built the house for less than £700, and for £90 or £100 less than it would have cost if he had let a contract.

In the case of another group at Sunshine, the tender price was £624, exclusive of land. The Commissioner's estimate was £527. Adding the price of the land, the Commissioner is giving these boys the house and land for almost the price that the contractor wanted to build the house alone. I do not say that that arises altogether from any superiority in building capacity on the part of the Commissioner; but it does arise largely from the facts I gave the Senate the other day about the acquisition of material at a lower rate, and the ability of the Commissioner, through having a considerable amount of work in front of him, and organizing his men, to make savings, of which the benefit goes to the soldier.

Senator Reid also referred to the fact that some contractors had made a loss on some of the buildings they completed. I

think that is very probable. That is one of the risks which a contractor runs; but the honorable senator, apparently, was not informed that some of those who took contracts, foreseeing a loss, abandoned them, and threw upon the Commissioner the task of completing them. No one can take up an abandoned contract, upon which some advances have been made, and complete it with the same promise of doing it economically as if he had started the job in the first instance. Some contractors will abandon a contract, and others will see it through, and face the loss. These things are inevitable and incidental to all undertakings of any magnitude. We have to accept them, just as a private individual must.

Senator FOLL.—How does the Department come out over the contract with the Queensland Pine Company?

Senator E. D. MILLEN.—I gave figures recently to show what a handsome reduction we were getting as the result of that contract.

Senator FOLL.—I thought you quoted only Victoria.

Senator E. D. MILLEN.—No. I showed that by that contract we were getting a reduction of 11s. 6d. and 11s. 8d. per 100 feet below the market rate, after allowing for the discounts granted in the trade. I remember going on to say that on the year's consumption that meant a saving of £36,000 in that one item alone. It is by means of contracts of that kind that the Commissioner is able to build houses at a lower cost than many ordinary contractors can.

Senator Reid also stated, again on the authority of building contractors, that there is a difference in the class of houses for which we call tenders, and those put up by the Commissioner by day labour. That is not so. The tenders are open to inspection by anybody. When they are called on certain specifications, the Commissioner builds on those specifications. I know of no reason for the suggestion which has been made, but it is not unfair to assume that when men in any line of business find that business being encroached on, they are not impartial judges of what is taking place. I have said here before that I regard human nature as one of the most universal of qualities, and I suppose it is spread as thickly to

the square inch in the case of building contractors as in the case of any other people. I fear that in this case they are not disposed to hold the balance quite accurately. I assure the Senate that the statement made by Senator Reid, in all good faith, is without foundation.

The honorable senator also raised a more serious point about the statement, which a little while ago was fully justified, that the War Service Homes Department in Brisbane was obtaining its men only through the Trades Hall of that city. That did not occur owing to the action of the Labour officer, but steps have been taken to correct it. We do not by any means reject a man who comes from the Trades Hall, but we do not allow the Trades Hall to have the sole right of selecting the men to work on these homes.

Another matter, which I view somewhat seriously, was the action of the bricklayers referred to by Senator Reid in declining to work with the vocational trainees. Some action, having a distinctly unpleasant appearance, has been taken by a section of the Bricklayers' Union in New South Wales. I do not want to say anything which would be likely to add to the difficulty which has been created, but I would remind the Senate that the whole of our vocational scheme absolutely rests upon getting the men who have been trained to a certain degree of proficiency in the schools passed out as improvers into the ordinary callings for which they have been qualified. In order to secure, as we thought, a clear passage in giving effect to that scheme, a conference was held with the representatives of the Trades Hall and of those larger unions, some of which are not directly connected with that institution. They agreed to a system under which they took no exception to our training these boys, up to certain numbers allotted to each trade. The idea of that was to see that the boys were fairly distributed over all the trades. The unions had a fear, the justification for which I readily admit, that if something of that sort was not done to distribute the boys, the more attractive trades would draw a larger number of them, and thus become overcrowded. In order to guard against that, an undertaking was entered into that boys should

be trained for different trades only up to a certain number—the original number being one trainee to six workmen, I think. I am not prepared to say that the unions who made that agreement have yet broken it. It is quite true that the Brickmakers' Union and the Boiler-makers' Union in Sydney have passed resolutions declining to work with these trainees, but it is not yet apparent that the main organizations have indorsed their action. I hope that the good sense of unionists generally will recognise, first, that they are bound to redeem the agreement into which they entered with us; and, secondly, that even if by so doing they are, to some extent, stretching a recognised rule of their union, they are at least under an obligation to do so if they are sincere in their professed desire to assist in the restoration of our soldiers to civil life. However, negotiations are now in progress with a view to overcoming this difficulty. If it cannot be overcome, it may be necessary for me to again bring the matter under the notice of honorable senators.

Senator Glasgow has referred to a matter which has troubled me a great deal, namely, the leasehold tenures which obtain in some of the States. He specially mentioned Queensland, but similar conditions obtained elsewhere. He seems to think that it may with safety be left to the Commissioner to determine whether, upon mining leases, the prospects are sufficiently good to justify expenditure upon the erection of war service homes. May I point out that it is not the prospects, but the title to the land which we have to consider; and the Commonwealth cannot put itself in the position that it would occupy, if it built houses upon leasehold land, seeing that if the lease were forfeited the buildings upon it, which had been erected by the Commonwealth Government, would go to the State Government. Not one of us would invest our own money in a proposition of that kind. All these leases are subject to certain conditions. Those conditions may be more or less nominal, but, nevertheless, they are there, and if they are violated it is competent for the State to forfeit the lease. That is the position which we take up, and I think that it is a very sound one. But seeing the difficulty which has arisen owing to the refusal of the Queensland Government to

allow these leaseholds to be converted into freeholds, we have one of two courses open to us. At present, I am communicating with the Queensland and Victorian Governments with a view to ascertaining whether it is not possible to devise some scheme under which they will permit of these leaseholds being converted into freeholds. There is, of course, an extreme action which I can take, but which I am reluctant to take unless it is found to be absolutely necessary. I do not think that the Commonwealth should exercise its power of resumption too readily in the case of lands owned by the States, and I am sure Senator Glasgow will appreciate the legal difficulty that is connected with this matter. I do not think it would be right to give the Commissioner power to build upon leaseholds which are liable to be forfeited at any time, seeing that in case of forfeiture, the whole of our asset would go to the State Government which had incurred no responsibility in the matter of providing the money for the buildings that had been erected upon them.

Senator Elliott referred to the certainty that under this Bill men who obtained advances when the limit was £700 will not be eligible to come along and ask for an additional £100. That is perfectly true. But the object of the proposed increase in the amount of the advance is not to give the men of to-day a bigger house than the soldier has who obtained his advance last year, but to provide him with a home of the same size, seeing that building operations to-day cost more than they did then. Thus, the man who occupies the advantageous position, is not the individual who will obtain an advance of £800 under this measure—seeing that he will have to repay the whole amount—but the man who obtained a similar house twelve months ago for £700. Instead of the individual who secured his home for the lower sum being prejudiced, he is a fortunate one amongst his compatriots.

Senator FOLL.—Then, in spite of the big contracts which have been entered into, the Department is not able to build houses to-day as cheaply as it could build them twelve months ago!

Senator E. D. MILLEN.—Certainly not. During the past year material has increased in price by 25 per cent., labour by 10 per cent., and transport by 15 per

cent. It is impossible, therefore, to build as economically to-day as we could build one or two years ago. But there is another factor in this matter which it is well to remember. Under the Bill it is not proposed that every house erected shall cost £800, but merely that where the circumstances of the applicant seem to warrant a larger expenditure, the Commissioner shall be authorized to incur it. I do not know that it would be fair to compare the Commissioner's building costs to-day with those of twelve months ago. Upon the one hand there have been increases in the cost of labour and material, whilst upon the other hand, the Commissioner is now developing his contracts for supplies in a much more satisfactory way than was previously possible. I cannot say whether the advantages accruing from this source will enable him to entirely wipe away the increase that has taken place in the cost of labour and material. I hardly anticipate that they will. Roughly speaking, a little while ago labour represented half the cost of a house, and if labour has since gone up 25 per cent. it will be very difficult to wipe out that increase, even by a liberal discount on the supplies of material which go into these war service homes. However, it will not be long before I shall be in a position to give a more definite idea as to whether the conditions to which I have referred will counterbalance the increase which has taken place in the cost of labour and materials.

Senator Newland spoke of the delay which has occurred in the erection of these homes. I have admitted it. But in this connexion I would like to repeat a warning which I have previously uttered. It is not possible for the Commissioner, even if he does not lose a single day as the result of strikes, to immediately satisfy all the applicants who are waiting. There are 14,000 of these applicants, and his programme provides for the erection of 8,000 houses annually. He cannot obtain the labour with which to erect more. I sympathize with the men who are waiting, but it is idle to expect that they can get homes within a few months. They will have to wait their turn. It must not be assumed, because things are moving more

rapidly now, that the whole of the 14,000 applicants who are waiting will be able to obtain houses within the course of a few months. Unless we can by some miracle largely add to supplies of labour and material, there must be a period of waiting for those who are low down on the list. When it is recollect that many of these applications had piled up before the Department was called into existence, it must be a source of satisfaction for us to know that already 40 per cent. of those applications have been satisfied.

Senator Newland also referred to the non-inclusion in this Bill of the men of the Naval Reserve and the Garrison Artillery. Nobody wishes to decry the service which these men rendered, or its very great usefulness to Australia at a critical time. But a line had to be drawn somewhere. If everybody who rendered war service were eligible to receive the benefits conferred by our War Service Homes legislation, the list would have to include the women who knitted socks for our soldiers and the girls who raised funds in our public streets. The line, therefore, which was drawn was that which separates home service from foreign service. It is quite true that many men were refused permission to enlist. In spirit they rendered the same service as did those who went abroad. But actually they did not render that service, nor did they incur the risks of those who went overseas. That is the reason why Naval Reserve men and the members of the Garrison Artillery are not covered by the provisions of this measure. Senator Newland will also recognise that the more the list of eligibles is extended the greater will be the delay in providing them with homes.

Reference was made by Senator Pratten to the delay which has occurred in the purchase of houses for our soldiers. He stated that whilst he could understand delay in the erection of buildings, more expedition might be exhibited in the purchase of houses. I am not disposed to disagree with him. But I wish to point to two or three things which to some extent, may modify any suspicion that there has been a general delay in this connexion. When the Department was created, there was a tremendous accumulation of applications. But because

of that accumulation it would not have been wise to create a huge staff in order that they might be disposed of within two or three months, at the end of which period the staff would have had to be disbanded. There are, however, certain factors which have contributed somewhat to the delay which has occurred in quite a small percentage of cases. Seeing that over 5,000 houses have been purchased, it cannot be urged that there has been any general delay. In many instances delay has resulted from circumstances which were regrettable but unavoidable. For example, I was surprised to find that in my own State considerable areas of land are still held under old titles. In such cases the Commonwealth had to resume the lands under its legal powers, and this course inevitably made for delay. So that it was not merely a question of getting a valuation of a property and of approving the requisite advance. Senator Pratten knows that there is such a thing as a survey in order to make sure that a building is upon a particular block of land. He is aware of cases in which persons have purchased buildings, portions of which have been found to be over the border line. It was not possible to dispose of such cases in a week. The honorable senator may dismiss from his mind the suspicion that any delay which has occurred has been due to a shortage of money. Although we have to be careful of the expenditure of every penny, the activities in no case of any branch of the Repatriation Department have been delayed because of a lack of funds, because of the failure to find money.

Senator PRATTEN.—That impression has been abroad.

Senator E. D. MILLEN.—I can give a definite assurance that whenever a request has been made for money the Department has never been compelled to wait five minutes for a requisition to replenish the Trust Funds.

Senator Rowell has again referred to the desirableness of including, under the provisions of this measure, the South African veterans, and as the honorable senator served both in the South African war and in the more recent conflict, one can naturally understand his sympathies leading in that direction. But I again desire to point out that we are not dealing with the whole of these men, but only those who served in the recent war. I

am not saying that the country entirely discharged its obligations to the men who fought in the South African war; because I do not think it did. The proposition submitted to me is not covered by this Bill, or by the Repatriation Act, as they are not measures to discharge the undischarged obligations of the country to the men who have rendered service to Australia, but to those who assisted in the Great War which has just ended. It is in conformity with that idea that the provisions of the Bill are limited to the members of the Australian Imperial Force. I desire to point out to Senator Rowell that this is another instance in which the beneficiaries could be increased in number, and if we were to include those mentioned by Senator Rowell, we would also have to provide for those mentioned by Senator Newland. There has to be some limit, and the Government think that they have done a fair thing. We have been called upon by the people of Australia to discharge this obligation, which is covered by the term "Repatriation," and we have declared that we would provide certain benefits, and render assistance to those men who were members of the Australian Imperial Force. I submit that the question of whether we should redeem some undischarged obligations to the men who fought in other wars, or who rendered certain service in other direction, is not associated with this measure. We are dealing only with the members of the Australian Imperial Force, and in rendering them some service, the country has accepted a great responsibility, and is doing all it possibly can in performing the work it has been asked to carry out.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 agreed to.

Clause 2 (Definition).

Senator FOLL (Queensland) [4.38].— Provision is made for the benefits of this measure to apply to members of the Young Men's Christian Association, and it appears absolutely impossible for the Government to include members of that association unless they also include members of the Salvation Army, who performed very creditable work in assisting the soldiers.

Senator ROWELL.—Salvation Army chaplains will come under the Bill.

Senator FOLL.—I am not referring to chaplains, because they are covered under the original Act.

Senator DUNCAN.—I do not think any members of the Salvation Army, apart from chaplains, were accepted for service with the Military Forces abroad.

Senator FOLL.—The fact remains that the work done by these men was identical, although they may not have been on the same basis.

Senator DUNCAN.—Generally it was of a superior character.

Senator FOLL.—I am not prepared to compare the work of the representatives of the two organizations; but I believe the services performed by the members of the Salvation Army were very useful, and that the men at the Front received as many benefits from that organization as from any other.

Senator E. D. MILLEN.—Those accepted for service, and who served abroad, became liable to military discipline, the same as any other member of the Forces.

Senator FOLL.—I fail to see any reason why there should be a distinction between the representatives of the two organizations, and I ask the Minister for Repatriation if he cannot favorably consider the inclusion of the representatives of the Salvation Army.

Senator ROWELL (South Australia) [4.40].—I am quite prepared to admit that the representatives of the Salvation Army performed very good work; but the chaplains of the Salvation Army are entitled to the benefits conferred by this Bill. The members of the Young Men's Christian Association, who are to benefit, as the Minister for Repatriation (Senator Millen) has stated, are those who were accepted, and who served abroad; and this, I think, includes those who served on transports with reinforcements, and who were liable to discipline the same as were the soldiers.

Senator NEWLAND (South Australia) [4.42].—I desire to ask the Minister whether the definition of "Australian soldier" does not cover members of the Australian Naval Forces who went to Neptune Island and Cape St. Albans and elsewhere? It seems that they were really Australian soldiers, although they did not go overseas.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [4.43].—I desire, first, to reply to the point raised by Senator Foll, and to direct his attention to the wording of the clause, which does not cover every member of the Young Men's Christian Association who served in France, but only those members of that organization who were accepted for service and who served abroad. The provision relates to the members of that organization to whom commissions were issued, and the only members of the Salvation Army to whom commissions were issued were the chaplains, and they are eligible. Under the original Act, the members of the Young Men's Christian Association who did useful work behind the lines were not included; and, so far as I can see, the members of the Young Men's Christian Association are on a parity with the members of the Salvation Army, whose good work every one who was at the Front is willing to bear witness to. I have quite recently pointed out that, under the original measure, a clear line of demarcation had to be drawn, and I do not feel that I can hold out any hope of departing from that principle. The sympathies of one are naturally aroused by cases that are quoted from time to time; but we have to draw the line somewhere, and wherever we drop the line we immediately hear of a case that is just outside. When once we depart from "service abroad," it is almost impossible to stop, because the representatives of some organization will come along and say that they are in a position similar to that of others who have been included. I submit that we have gone as far as we can in extending benefits to those who rendered service in the recent war.

Senator PRATTEN (New South Wales) [4.45].—It is a matter of regret that the time-honoured and unwritten custom of placing the amendments to the principal Act, as well as the Bill, before the Senate, has been departed from.

Senator E. D. MILLEN.—They were issued with the Bill last Thursday.

Senator PRATTEN.—As it does not appear to be in my file I shall deal with that question later. When the original Act was before the Senate, I think the consensus of opinion was that no man should be eligible for the benefits of the war service homes provisions unless he had

seen service outside Australia. The definition clause in the present measure seems to be too wide, as we practically include every member of the Australian Imperial Force, whether he went out of Australia or not. The Bill includes every munition worker who went abroad, whether he served or not, and also war workers that were attached to the Australian Imperial Force.

Senator E. D. MILLEN.—This measure does not cover munition workers. They are eligible under the amending Act passed towards the end of last year, and this is a mere re-statement of the definition clause.

Senator PRATTEN. — I may be arguing on wrong premises, but whether I am or not, I am not inclined to open the door too wide. In effect, the building of war service homes is merely lending public money to those who are prepared to occupy the houses, and on which they pay interest and principal over a period of years. The only reason why I shall support the extended definition is on account of the scarcity of houses. I think it would be good policy if the Governments in the various States put their shoulders to the wheel in this connexion, because I believe that a good deal of the industrial unrest at present prevailing is due to the scarcity of housing accommodation throughout the Commonwealth.

If the members of the Young Men's Christian Association are to be included we shall also have to include the representatives of the Red Cross, and the members of the Australian Comforts Fund, and all those unattached war workers who went abroad to help in some way to win the war. I think the definition clause will be found to be very much wider than it was in the original Act or in the amending Bill. I am not keen on affording the benefits of the War Service Homes and Repatriation legislation generally to every one who may have done some little—either in Australia or abroad—to help win the war. I have taken up the position, and have expressed it more than once in this chamber, that war service benefits should be, as far as possible, confined to those who were in the war zone—to those who actually went over the top. Many of the men who went abroad were never better off than during the war. As an honorable senator interjects, it is to the credit of Australia that this country

treated them so well, and it should be widely known that such is the case. But I cannot support the various propositions for greatly expanding the scope of benefit. One honorable senator desires that those who went to the Boer war should be included, and another wishes to bring in the members of the Salvation Army. Still another may want to have the benefits made available to those young women who were patriotically active, in this country, during the war period. I sympathize with the Minister (Senator E. D. Millen) in respect of all these attempted pulls upon his generosity; they increase the difficulty of his position. If I had the power I would confine the benefits of all our repatriation legislation to those who took part in the actual fighting.

Senator SENIOR (South Australia) [4.53].—Last year Senator Pratten acquiesced in the inclusion of those very individuals about whom he is now raising objections. The Act which he assisted to place on the statute-book defines munition workers and war workers. The honorable senator is now approaching the matter as though it were something new. I feel it to be my duty to point out that he is labouring under a delusion.

Senator FOLL (Queensland) [4.55].—In the course of his second-reading remarks the Minister (Senator E. D. Millen) said the reason why the Government proposed to increase the grant to £800 was not the desirability of building larger homes, but, particularly, the increase in the cost of building.

Senator E. D. MILLEN.—Is that not rather a matter for discussion when the Committee is considering clause 10?

Senator FOLL.—I take it that, under a definition clause, an honorable senator would be in order in delivering, practically, a second-reading speech.

The CHAIRMAN (Senator Bakhap).—The honorable senator cannot make a second-reading speech when addressing himself to the definition clause, nor during the Committee stage at all.

Senator PRATTEN.—Does not the definition clause cover the ambit of the Bill?

The CHAIRMAN.—It does not provide an opportunity for making a second-reading speech.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [4.57].

—I desire to make clear what additional classes of beneficiaries are to be brought in by this amending Bill. War workers and munition workers were included, with the hearty co-operation of Senator Pratten, in last year's amending Bill.

Senator PRATTEN.—I think the Minister is mistaken, and that he will find that I took up exactly the same attitude as I do now.

Senator E. D. MILLEN.—If that should be the case, I will withdraw; but the reason why I assumed that the honorable senator did not object then was that, while I chanced to be absent from the Senate at the time, I saw no reference to his critical attitude in the course of my casual reading of the press.

Senator PRATTEN.—The trouble is that the press does not publish what I say.

Senator E. D. MILLEN.—That may be the explanation. The two classes to be included by this measure are those who were in camp, but were discharged upon the signing of the armistice, and those who, for health reasons, were discharged from camp throughout the war period, and who, consequently, did not go abroad. In including these classes we are bringing the Bill into conformity with the principles of the Repatriation Act. It is, of course, a reasonable view to adopt that the Government may now have gone too far in the scope of its inclusions. But there are still other men whose claims Senator Pratten himself would, I feel sure, view favorably; men such as those attached to the mercantile marine, and who took all the risks of serving within the war zone, and, in respect of whom the British Government have decided that they shall receive the war medal. The two classes which I have specifically mentioned, however, are the only additional classes to be made eligible by the passing of this measure.

Clause agreed to.

Clause 3—

After section 14 of the principal Act the following section is inserted:

“14A. Before exercising any power under this Act which involves the expenditure of more than Five thousand pounds, the Commissioner shall submit his proposal for the approval of the Minister.”

Senator FOLL (Queensland) [5.0].—It is highly desirable that a provision of this nature should be inserted. I desire

to draw the attention of the Minister (Senator E. D. Millen) to an article which appeared in a small newspaper in Brisbane regarding contracts entered into by the Commissioner. The article, which is dated 26th June, states:—

The Commission had not been going long before it was announced that the builders and contractors of this city had arranged not to give the soldiers fair play, but to put up prices.

Senator E. D. MILLEN.—I have seen the paper.

The CHAIRMAN (Senator Bakhap).—I would point out that clause 3 contains a distinct provision in regard to a specific amount to be approved by the Minister. I do not think it affords an opportunity for discussing the general question of the cost of homes.

Senator FOLL.—But I understand that the section of the Act which is involved is so framed that wide scope is afforded in regard to the point which I have raised. This Bill deals with the question of contracts generally.

The CHAIRMAN.—I cannot permit the honorable senator, at this stage, to discuss the general question of the cost of homes.

Senator PRATTEN (New South Wales) [5.2].—I am not quite clear upon the intention of this clause. Does it mean that the Commissioner is to be free to spend only up to £5,000, as a general total, upon everything, above which sum he must secure the Minister's sanction? Or is it intended that, over and above the expenditure of £5,000 upon any one specific objective, the approval of the Minister must first be sought?

Senator E. D. MILLEN.—That is so.

Senator PRATTEN.—But the clause does not actually say so. It is, to my mind, a dragnet. I think that if it were re-drafted the intention could be made more clear. The argument could now be raised that the Commissioner has no power to spend more than £5,000 upon the whole of the operations of his Department, unless and until he has secured Ministerial sanction; whereas, obviously, the intention is to restrict his powers of expenditure in regard to specific contracts.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.3].—The honorable senator will recall that,

in the original Bill, there was a similar provision, limited, however, in respect of the acquisition of land. It was proved to have been a mistake that the Bill should have passed in that form. It gave to the Commissioner the right to buy land and materials; but, where he desired to purchase a parcel of land, exceeding in cost the sum of £5,000, Ministerial concurrence had first to be secured. It appeared, subsequently, that, whatever reason there may have been for requiring Ministerial sanction for expenditure concerning a land deal, was an equally good reason in the matter of a contract for the supply of material.

Senator PRATTEN.—But now you have omitted to make mention of anything specific.

Senator E. D. MILLEN.—The purpose of this clause is that where the Commissioner seeks to purchase a parcel of land for £5,000, or upwards, he must first secure the Minister's concurrence. Similarly, with regard to a contract for material involving £5,000 or over, that item also must be referred to the Minister.

Senator PRATTEN.—Which is quite right and proper.

Senator E. D. MILLEN.—That is all that is required. It is not intended, nor would it be desirable, to require the sanction of the Minister, to an expenditure of £5,000 or over, in connexion with the building of a number of cottages costing together more than the sum mentioned. If Senator Pratten permits the clause to pass as it stands, I shall confer with the draftsman, and should it be found necessary in order to make the meaning more clear, I will bring it before the Committee again by way of re-committal.

Senator FOLL (Queensland) [5.6].—I should like to know what is the necessity for a clause of this kind. Has the Commissioner been slipped up through entering into bad contracts, or have large contracts already been made without the knowledge of the Minister, and in connexion with which, because he has not been made aware of them, he has been unable to protect himself? Will the Minister say why it was necessary to insert such a provision?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.7].—There is nothing to justify the suggestion of the honorable senator. I thought I had made the position clear. There is a prohibition under the existing Act against the Commissioner entering into a contract involving £5,000 or upwards for the purchase of land. That represents a sound or an unsound principle, and does not in any way imply a want of confidence in the Commissioner. We give the Commissioner large powers under this legislation, and the Government having to find the money, the Minister, perhaps later on, having to stand up in Parliament and defend the expenditure under the Bill, should be in a position to say whether or not he agrees to any proposal involving so large an expenditure. If that is a sound principle, and I submit that it is, it is as applicable to the purchase of material or buildings as it is to the purchase of land. Such a provision becomes more necessary if it is felt that the whole of the work under this Bill should be brought under Ministerial supervision. It is a sound proposition that, where large contracts are involved, the Minister should be informed of departmental proposals in order that we may veto them if, in his judgment, such action is called for.

Senator SENIOR (South Australia) [5.9].—It has occurred to me that the proposed new section 14A will, under this clause, be inserted in the wrong place. Section 14 of the principal Act deals with the delegation of power.

Senator E. D. MILLEN.—It is proposed to insert the proposed new section 14A after section 14.

Senator SENIOR.—That is so; but there is no co-relation between the delegation of power and the determination as to the amount to be spent without the sanction of the Minister. I do not object to the proposed new section, but suggest that it is not being inserted in the proper place.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.10].—The explanation of the matter is that the section dealing with the limitation of the Commissioner's power under Part III. of the Act covered only the acquisition of land, and it is the intention under this Bill to cover both land and material. It has been found necessary,

therefore, to delete the old provision from the part of the Act in which it appeared, and to insert here an entirely new section covering both land and material.

Clause agreed to.

Clause 4—

Section 16 of the principal Act is amended by omitting sub-section (5) thereof.

Section proposed to be amended—

(5) Before exercising any power under this section which involves the expenditure of more than Five thousand pounds, the Commissioner shall submit his proposal for the approval of the Minister.

Senator PRATTEN (New South Wales) [5.11].—This clause is a necessary corollary of clause 3. It proposes the omission of words from the principal Act that restricts the power of the Commissioner to acquire land. That omission will be made good by clause 3, to which the Committee has just agreed, and I mention the matter because it is another reason why the intention of clause 3 should be made very clear.

Clause agreed to.

Clause 5—

After section 17 of the principal Act, the following section is inserted:—

"17A.—(1.) The Commissioner may erect, complete or enlarge, for eligible persons, dwelling-houses on land owned by them or may enter into contracts for the erection, completion or enlargement of dwelling-houses on such land.

(2.) Where the Commissioner erects, completes or enlarges or enters into a contract for the erection, completion or enlargement of, a dwelling-house in pursuance of this section, he may require the owner of the land to give such security as he thinks necessary for the repayment of the amount expended by him in the erection, completion or enlargement of the dwelling-house."

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.12].—There has been some doubt expressed as to whether, under the wording of the existing Act, the Commissioner has power to erect a house on land owned by the applicant. This clause is inserted to make it quite clear that the Commissioner is to have that power.

Senator FOLL (Queensland) [5.13].—Under sub-clause 2 of the proposed new section 17A, where the Commissioner erects, completes or enlarges a dwelling-house on land owned by the applicant, or enters into a contract to do so, he may require the owner of the land to give such security as he thinks necessary. I take it that before the Commissioner commences operations, the owner of the land

will have to hand over his deeds. The Commissioner would not be likely to commence operations under this provision on land acquired by an applicant on the time-payment system, and upon which only one payment had been made, without some satisfactory security. The Minister for Repatriation has already mentioned that when a war service home is completed it is worth more than it has actually cost to build, and it would represent good security to the Commissioner. What other security is intended by the proposed new section now under consideration?

Senator E. D. MILLEN.—Where does the honorable senator find the words "other security"?

Senator FOLL.—Well, what is the security?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.14].—Under the original Act, power was given to the Commissioner to advance money to any eligible person to erect, complete or enlarge a dwelling-house where the applicant was the owner of the land. What it is now proposed to do under clause 5 is not merely to give the Commissioner the power to advance money to the owner of the land to erect, complete or enlarge a dwelling-house, but also the power, if he thinks fit, to himself undertake the erection, completion, or enlargement; and, if he does so, he is entitled to security, and that security will be a mortgage over the property.

Senator FOLL.—Would not the Government take over the deeds in that case?

Senator E. D. MILLEN.—That is the security asked for. Under this clause, the Commissioner, instead of advancing money to the applicant to carry out the work, may himself let a contract for carrying it out, or may carry it out by day labour, and the owner of the land is asked to give security.

Senator FOLL (Queensland) [5.15].—The Minister pointed out that in the case of 33 per cent. of the soldiers' homes already erected, the applicants have supplied a certain sum of money, or have provided the land. Is it the policy of the Department to give any preference to men supplying their own land, or advancing their own money? If that is the Government policy, does that account for the percentage of homes erected for such persons being so high?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.16].—There is no preference given other than priority of application. That is the only safe policy to adopt. Here and there, where a few applications have been received from the same locality, and another application is received a little later, for the purpose of inspection they are treated together, but the broad principle adopted is that priority of application determines priority of treatment.

Clause agreed to.

Clause 6 (Sale of dwelling houses).

Section proposed to be amended—

(1) *Subject to this Act the Commissioner may sell to any eligible person who is not the owner of a dwelling house within Australia or elsewhere, a dwelling house acquired or erected in pursuance of the last preceding Part, together with the land on which it is erected.*

Senator PRATTEN (New South Wales) [5.17].—I notice in this clause an amendment which appears to me to make a very vital alteration in connexion with the administration of the War Service Homes Department. The omission is proposed of the words in the existing Act “who is not the owner of a dwelling house within Australia or elsewhere.” That appears to me to open the door to permit of a returned soldier, the owner of a house in which he is living, going to the Commissioner and asking to be provided with another house.

Senator E. D. MILLEN.—By clause 7 it is proposed, after section 19 of the principal Act, to insert a new section, which is really a redrafting of a provision having the same effect as that proposed by this clause to be deleted.

Senator PRATTEN.—I cannot quite see that, because paragraph *a* of the substituted provision says that—

Where a person is included in paragraphs (b) or (d) of the definition of “Australian soldier” in section 4 of this Act, the Commissioner may sell to her either alone or jointly with other persons similarly eligible under this sub-section a building—

and so on. I fail to see that the striking out of the words to which I have referred from sub-section 1 of section 19 will not open the door to returned soldiers getting more than one home, or getting a home where they already own one.

Senator E. D. MILLEN.—Clause 7 is a special prohibition against that.

Senator PRATTEN.—Then I shall wait to deal further with the matter until we come to clause 7.

Senator FOLL (Queensland) [5.19].—I should like to have some information with regard to the erection of a house for persons alone or jointly to be used for the purpose of a sanatorium or nursing home. I understand that if, for instance, three returned nurses desire to enter into a partnership, the intention is that they may receive an advance up to three times the £800.

Senator E. D. MILLEN.—That is so. We are doing that in some cases now.

Senator SENIOR (South Australia) [5.20].—I wish to remind Senator Pratten that paragraphs *b* and *d* of section 4 of the principal Act read—

(b) was a member of the Army Medical Corps Nursing Service accepted or appointed by the Director-General of Medical Services for service outside Australia, and was employed on active service outside Australia;

(d) was a nurse of the Army Medical Corps Nursing Service of any part of the King’s Dominions other than the Commonwealth, and proves to the satisfaction of the Commissioner that she had before her appointment to that service resided in Australia.

The honorable senator will see that, in the circumstances, the proposed new section will not open the door as he feared it would, since it covers only the persons included in the definitions quoted. As the Minister has pointed out, the next clause completely closes the door, and there is no chance of getting through at all.

Clause agreed to.

Clause 7 (Sale of house only to person not already an owner).

Senator PRATTEN (New South Wales) [5.21].—I clearly see what the Minister has provided for. Under this clause the words omitted in the previous clause become redundant. I am glad the Minister has provided for the sale of houses only to persons who do not already own them.

Clause agreed to.

Clause 8 agreed to.

Clause 9 (Advances for purposes of home only to person not already an owner).

Senator PRATTEN (New South Wales) [5.22].—Of course this cannot mean that no advance will be made for the building

of a house to a person who owns the land. I take it that it refers to the paragraphs to which I have been speaking during the last few minutes, and is an amplification of the safeguards against persons who already own their own homes taking advantage of the Commissioner.

Senator E. D. MILLEN.—That is quite correct.

Senator FOLL (Queensland) [5.23].—It might happen that a member of the Australian Imperial Force whose work keeps him in Sydney, and who, therefore, requires a home there, owns a bit of a "humpy" 500 miles away from the coast, which he cannot sell. What position is he in? Will the possession of that little place in the "never-never" prevent him from obtaining the benefits of this legislation?

Senator E. D. MILLEN (New South Wales) [5.24].—That is the distinct intention. Although Senator Foll, with great adroitness, has drawn the extreme case of a man who owns a valueless "humpy" somewhere in the bush, I should like to sketch a class of case of quite another character. It is not intended under this Bill to find a house for any man unless he is in need of a home. In all housing Acts of which I have any knowledge, and certainly in all those adopted by any State in Australia, it has always been made one of the conditions of eligibility that the applicant shall not be already possessed of a house. Most of those Acts stipulate for a house of a certain value, and, in addition, generally put a limit to the man's income. Neither of those restrictions appears in our legislation, but the object of this Bill being to provide a residence, a man who already has a house is not eligible. I suggest to Senator Foll that he should not press the little bush "humpy" too far, because if we once opened the door for that inoffensive structure, a good number of other men would soon find means of evading the purpose of this legislation.

Senator FOLL (Queensland) [5.27].—I am quite in accord with what the Minister has said. I only wished to know if a loop-hole could not be provided for what would be a very distressful case if it did occur.

Clause agreed to.

Clause 10—

After section 23 of the principal Act the following section is inserted:—

"28A. (1) Notwithstanding anything contained in this Act, the total cost to the Commissioner of any dwelling-house erected by him, or the amount of any advance made, in pursuance of this Act, may, if, in the opinion of the Commissioner, the circumstances of any case justify the excess, exceed £700 but shall not exceed £800.

"2. Notwithstanding anything contained in this Act, where the Commissioner has erected a dwelling-house at a cost exceeding £700 or made an advance exceeding that amount, he shall require, in addition to any other deposit or security required under this Act or the regulations, from the person purchasing that dwelling-house or receiving that advance, a deposit or security to the extent of 15 per centum of the amount by which the cost or advance exceeds £700."

Senator PRATTEN (New South Wales) [5.28].—This is, perhaps, the most important part of the Bill to those who want houses. It redeems the promise the Minister for Repatriation (Senator E. D. Millen) gave some time ago to increase the amount which may be advanced by the Commissioner for the erection of a home from £700 to £800. It would be as well to have it clearly understood that it is not obligatory on the Department to spend £800, but that it is within the option of the Commissioner to advance up to that amount if, in his wisdom, he thinks the case justifies it. There is in this clause the further provision, which should be made widely known, that the extra £100 is not only restricted by the will of the Commissioner, but is subject also to the deposit by the applicant of 15 per cent. of the amount by which the cost or advance exceeds £700.

Senator SENIOR.—That means that the advance is only £85.

Senator PRATTEN.—The honorable senator has put it in a nutshell. It means that there is an advance of only £85 in addition to the £700.

Senator E. D. MILLEN.—Stated that way, it would be an advance of £85 on a security of £85; stated the way the Bill does, it is an advance of £85 on a security of £100.

Senator PRATTEN.—Quite so, but I do not think we can stress too much the plain meaning of the clause. So far as applicants for war service homes are concerned, the essential part of this Bill is that they may in certain circumstances get an advance of £800 instead of £700,

but it should be generally known that they cannot get that as a right. They can get it only with the acquiescence of the Commissioner, and then only by putting up a deposit of 15 per cent. on the extra advance. I congratulate the Minister on fulfilling the promise he made some time ago, and on keeping up, to a certain extent, with the great advance which has taken place in the cost of materials and labour since the original Act was passed. It appears to me that, if costs go on increasing at the same rate as at present, it may be that, in the end, even if the Commissioner acquiesces in an advance of £800 for every new war service home, applicants will not be able to get the same value as was obtained by those lucky persons who already have their homes completed. I hope no further increase will be necessary to give the soldiers a fair deal, but I am glad that this Bill has been brought forward, because it is admittedly much more difficult to-day to provide for the soldiers, for £700 each, the homes that we hope they will all get, than it was when the original Bill first came before Parliament.

Senator FOLL (Queensland) [5.31].—I was somewhat disappointed with the Minister's statement in his speech in reply on the second reading, that the principal reason for the increase of the amount to £800 was not to give the applicants bigger houses. I had hoped that the extra £100 was being advanced in order to provide larger houses than those being found at present. With present costs, it is impossible to build for £700, or even £800, a house with anything like large rooms. It is simply marvellous, seeing the size of the houses that the Government are putting up, especially those built of brick, that they are able to keep the price down to what we are told they are costing, especially in comparison with the prices being asked for brick houses in different parts of Australia. As I said, I hoped that the Minister would tell us that he was increasing the amount of the advance by £100, in order to build more roomy houses, or even to put on an additional room if required, and it was disappointing to me to learn that, in spite of the large contracts that have been entered into by the War Service Homes Commissioner, the increased cost of labour and material has practically kept pace with the savings made by that means, and that a house costing

£800 to-day will contain no more accommodation than the original applicants obtained for £700.

Senator SENIOR.—Is that not obvious, with the rise of prices and wages?

Senator FOLL.—I am trying to point out that in the early stages of the operations of the War Service Homes Department building was carried on in a more or less piecemeal manner. One house was built here and another there, but to-day the work is being done on a much larger scale, and there is far more system in operation in the Department than there was twelve months ago. Houses are not being built in ones or twos, but in large groups, especially in the capital city areas in the various States. As the Minister pointed out, the men who lay the foundations when they finish one job go along to the next and start digging out. In view also of the large saving that the Commissioner has recently made by acquiring rights over certain industrial concerns, he is able to get his commodities at a far cheaper rate than before. It was for those reasons that I expected the Minister to tell us that homes were to be built on a larger scale than was the case twelve months ago.

Senator E. D. MILLEN.—Does the honorable senator know the extent to which material has gone up in price?

Senator FOLL.—I know it has gone up, but I do not know the percentage.

Senator E. D. MILLEN.—Twenty-five per cent.

Senator FOLL.—Is that in the last twelve months? On the figures the Minister quoted regarding contracts made by the Commissioner, more than 25 per cent. has been saved.

Senator E. D. MILLEN.—Surely the honorable senator does not interpret what I said as meaning that there has been an all-round reduction at that rate? I mentioned some of the contracts as typical of those entered into, and gave the savings on them. There are many other things entering into the construction of a house on which the Commissioner is getting the ordinary trade discount only.

Senator PRATTEN.—The increase in the cost of effective labour would be about 50 per cent.

Senator FOLL.—I think the honorable senator's statement is over the mark.

Senator PRATTEN.—Do not forget the word "effective."

Senator FOLL.—As I have remarked previously, the operations of the War Service Homes Department were not nearly upon such an extensive scale during the earlier stages of its existence as they are to-day. Everybody knows that the larger the output of any business concern the more economically it should be managed. Upon 2nd July last, the Sydney *Evening News* published an article dealing with the inadequate size of our war service homes, and because of complaints made in that connexion, I had hoped that the additional £100 which will be advanced under this Bill would be devoted to increasing their size. The article in question reads:—

WAR SERVICE HOMES.

COUNCIL TO SUE GOVERNMENT.

At last night's meeting of the Hurstville Council, the building inspector again reported that the war service homes being erected for returned soldiers by the Commonwealth Government on the Como Lakes Estate, Oatley, did not comply with the ordinances dealing with buildings. The kitchens were absolutely too small, and sufficient air space was not provided. The Town Clerk said councils had no jurisdiction over the Commonwealth Government. Alderman Binder contended that they had the power, if they knew how to use it. On the motion of Aldermen Binder and Machen, it was unanimously decided to take legal action against the Commonwealth.

No doubt the Minister will have an effective reply to the criticism which I have quoted. But I am sorry to learn that the additional advance of £100 to be provided under this Bill will not benefit our returned soldiers, but will be absorbed by those persons who supply labour and material for our war service homes.

Senator DUNCAN (New South Wales) [5.37].—I am entirely opposed to sub-clause 2 of proposed new section 28a. I can see no necessity for it. The proposal of the Government will penalize the returned soldier who is desirous of obtaining a home for himself, without conferring any corresponding benefit upon the community generally. The sub-clause provides that where the Commissioner has erected a dwelling house at a cost exceeding £700, he shall require, "in addition to any other deposit or security required under this Act or the regulations, from the person purchasing that dwelling house or receiving that advance, a deposit or security to the extent of 15 per centum of

the amount by which the cost or advance exceeds £700." The Government definitely told our returned soldiers that they recognised the inadequacy of an advance of £700 for these homes, and promised to increase it to £800. This Bill is an attempt on the part of the Minister for Repatriation (Senator E. D. Millen) to honour that promise. It appears to me, however, that it is to be more honoured in the breach than in the observance. The Minister has already pointed out that the cost of material has recently increased by 25 per cent., and that there has also been a substantial increase in the cost of labour. The Government were forced to recognise that the original advance of £700 was quite inadequate, and accordingly they promised to increase it to £800. But the provision to which I have directed attention will not do that. The utmost to which it will increase the advance to any soldier is £785, because the soldier himself will be required to lodge a deposit of £15. Take the position of a returned man who is desirous of securing a home of his own. He is compelled to spend money in the purchase of furniture and to incur certain other incidental charges. Under this proposal the Government will demand from him a deposit of £15 before he can obtain the additional advance of £100. Now, a returned soldier may not possess that amount. The Government may very well see that the general security offered either in the case of a home which is to be built, or of one which is to be purchased, is sufficient to cover the whole advance of £800 without the necessity for the soldier himself lodging a deposit of £15. That amount may not seem much to some of us, but to many of our returned soldiers it represents a considerable sum. We may very well dispense with sub-clause 2 of the proposed new section, seeing that provision is already made that adequate security shall be forthcoming in the case of every advance which is made. The Commissioner will not advance a sum of £800 upon a home unless the value is there. Where, then, is the necessity for exacting from the soldier a deposit of £15, which may mean that he will be obliged to go short of furniture to that amount? The omission of this provision will not in any way endanger the Bill, or alter the degree of security which will be possessed by the Commonwealth.

Senator FOLL.—The amount is too small to interfere with the security.

Senator DUNCAN.—Of course it is. It is a small sum from the stand-point of the Government, but a large one from that of the individual soldier.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.42].—I think it is just possible that some remarks which I made earlier in the day may have created a wrong impression in the minds of Senator Foll and other honorable senators regarding the extent to which the increased cost of labour and material, and the desire for a larger house, have influenced the decision of the Government to increase the advance from £700 to £800. In this connexion I would remind honorable senators of the statement which I made in this chamber during a previous session. I said—

The Commissioner is quite clear that he can continue to build the present four-roomed type at that money, provided that labour and material do not go up any further. But as it is quite evident also that a number of soldiers require a somewhat larger house—as men with two or three children naturally require more room than newly-married couples—it has been decided by the Government to increase the limit to £800. The Commissioner thinks that with that increase, and by his present methods of organizing supplies and group construction, he can still build the very useful type of cottage he is building now, with an additional room, within the limit. I propose shortly to bring down to Parliament a Bill authorizing an increase of the present limit of £700 to £800.

At that time it was evident that upon the then value of material and labour the Commissioner could continue to build four-roomed cottages for £700 each, and that he was looking to the extra £100 to enable him to provide an additional room. But one of the conditions which was laid down as essential if he was to continue doing that was that there was to be no further increase in the cost of labour and material.

Senator SENIOR.—And in the cost of land, too.

Senator E. D. MILLEN.—I do not know that there has been any great increase in the cost of land, but undoubtedly there has been some increase in the cost of labour and material. To the extent to which these things have increased in price during the past six months they must eat into the additional £100. Off-hand, I cannot say what the increase has been during that period. Of the £100 additional advance obviously a portion

will be required as a set-off against the increase which has taken place during the past half-year, and the balance will be available for additional accommodation.

I come now to the point which has been raised by Senator Duncan. Certain of his arguments I can almost indorse, but there are one or two matters to which I desire to direct attention. First of all, it is not an unheard of principle that where a Government advances money to its citizens it advances smaller amounts upon more liberal terms than it does larger ones. That is the course which is adopted by our Agricultural Banks, and we are following the same system here. Surely a soldier who is asked to find a deposit of £15 upon a house which is valued at £800 is not being badly treated. The fact that the applicant comes along with £15 of his own is in itself evidence of his thriftiness, but it also means that when he goes into that home he puts down fifteen solid anchors, which will prove a material factor in increasing his desire to make it his own.

Senator DUNCAN.—That would have been a good argument to adduce when the amount of the advance was £700.

Senator E. D. MILLEN.—Yes. But the idea was to extend to the man who received the minimum sum the best possible terms. Consequently we allowed him to become the owner of a house worth £700 without calling upon him for any deposit. Should he desire a larger home, it is certainly not unfair to ask him to contribute a small sum towards its purchase. Senator Duncan spoke of a returned soldier who acquires a war service home being required to purchase furniture. That is perfectly true, but I would remind him that the Repatriation Department will loan soldier applicants a sum of £35 to assist them in making such purchases. Senator Duncan also stated that if we obtain sound valuations, the Commonwealth will possess a perfectly good asset, quite apart from the soldier's deposit. That is perfectly true. But in such cases we have not any margin should the man fall into arrears or prove an unsatisfactory tenant. Under this Bill that is where the advantage will arise in the case of a man who is not making good in regard to the contract into which he has entered.

Senator DUNCAN.—The Government are making fish of one and flesh of another.

Senator E. D. MILLEN.—No. All soldier applicants can obtain a home valued at £700 without any deposit whatever. It is only when a man requires a house worth £800 that he is asked to make a small contribution towards it.

Senator WILSON.—But the man who desires a £800 house will frequently have a larger family than will the soldier who is content with a home that is worth only £700.

Senator E. D. MILLEN.—That is so. But the Act lays it down that the Commissioner is bound to consider the possibility of an applicant meeting his obligations, and the larger a man's family, the less chance he may have of meeting them. For instance, an applicant may be earning only £4 per week, and the Commissioner may say to him, "I believe that you would be able to meet your obligations in respect of a house worth £700, but I doubt whether you would be able to do so in respect of a home costing £800." This measure was not framed with the idea of giving soldiers homes for nothing, and the condition was that the Commissioner was to be satisfied that the asset was a good one, and included in that was the obligation that a man should meet his repayments. A man out of work may have a very large family; but there may be no hope of him paying for a house. The Commissioner is bound to see if there is a chance of the applicant paying; and if a man says that he is out of work, it would be foolish to grant him a house. If he wanted assistance, it should be given in some other way, without providing him with a house when it was impossible for him to meet the repayments. The same conditions apply to an advance of £800; and all that is asked is that an applicant shall pay a deposit of £15, which will give him some margin should he fall into arrears. I am not at all certain that it would not be a good thing for all the applicants to pay a deposit either from their war gratuity bond or from some other source. I think there are very few who would not be able to pay a deposit, and returned soldiers generally would find it advantageous to invest their war gratuity bonds in acquiring a home.

Senator PAYNE (Tasmania) [5.53].—I believe every honorable senator will welcome the addition to the amount provided in the original Act for the erection

of war service homes; but I think the time has arrived for the Minister for Repatriation (Senator E. D. Millen) and the Commissioner to look into the question of the advisability of making some alteration in regard to the kind of houses now being built. Recently I had the opportunity of inspecting a number of war service homes.

Senator E. D. MILLEN.—In which State?

Senator PAYNE.—In New South Wales, and some in Victoria. The opinion I have formed that the space in our war service homes is too circumscribed will, I think, be indorsed by other honorable senators.

Senator E. D. MILLEN.—Does the honorable senator refer to the number of rooms?

Senator PAYNE.—As to size. The Minister for Repatriation has said that, owing to the increased cost of material, it is now impossible to build a four-roomed house for less than £700.

Senator E. D. MILLEN.—That includes the land.

Senator PAYNE.—Exactly. The Minister has stated that the cost of building has necessitated the increase in price, and I have been looking around to see if there is any possible way of providing more conveniences at a lower cost. I desire to draw the Minister's attention to the fact that, not so much in Australia—as this is practically new work to us—but in other countries families are being housed in much smaller dwellings, with an equal degree of comfort as is enjoyed in Australia, by the adoption of the joint bed-sitting or joint bed-dining room. I inspected houses built in Sydney in which wall-beds were installed, and I was struck with the fact that war service homes could be built to give the necessary accommodation for an ordinary family under this system, and at the same time provide more room space at a reduced cost. I inspected one house of three living rooms, serving the same purpose as an ordinary five-roomed house, built by the Department, where two rooms were utilized as bed-sitting rooms, and the other as a bed-dining room.

Senator DUNCAN.—What about a bed-kitchen room?

Senator PAYNE.—It could be applied to the kitchen, because in one case I noticed the sleeping accommodation could be used either in the house or on the verandah, according to the construction of the panel which allowed the wall bed to be used either inside or outside the house. I also noticed that a number of the buildings are being constructed of brick. Every one knows that at present there is a great scarcity of skilled workers, particularly bricklayers, and this naturally increases the cost of the structures. Concrete houses are being erected with marked success in the different States, but not under the old style, with wooden boxing, but by means of an apparatus the patent of which has been submitted to the Department. Under this method buildings can be erected in one half the time occupied under the old system, thereby reducing the cost. I would like the Minister for Repatriation to confer with the Commissioner as to the advisability of utilizing this improved method of concrete construction with a view to reducing the cost.

Senator WILSON.—But it is difficult to obtain material.

Senator PRATTEN. — Particularly cement.

Senator PAYNE.—That scarcity is not always going to obtain. There is a scarcity of bricks and labour at present.

Senator DRAKE-BROCKMAN.—According to the newspapers there is likely to be a surplus of cement in Australia before the end of the year.

Senator PAYNE.—It is hoped that such will be the case.

Senator DE LARGIE.—There is not much likelihood of a surplus of cement this year.

Senator PAYNE.—We shall be building war service homes this year and next year, too, and these points are well worth considering, as our object should be to cheapen the cost of construction, and at the same time to provide the soldiers with good houses for the money we are expending. Senator Duncan referred to the additional allowance of £100, for which the applicant has to deposit £15.

Senator DE LARGIE.—Why not mention weatherboard structures?

Senator PAYNE.—It is my intention to do so later. In regard to the £85 additional advance mentioned by Senator Duncan, I understood when the principal Act was passed, that, if the circumstances

warranted it, an additional £100 would be advanced; but applicants are now asked to furnish a deposit of £15 to enable them to obtain possession of a building valued at £800. I cannot follow the Minister's argument that it is absolutely essential for the well-being of the scheme for an applicant to furnish a deposit of £15. The Minister for Repatriation must realize that, on his own admission, the cost of building has increased considerably during the past twelve months, and that a building which now costs £800 could have been built twelve months ago for £700. It therefore follows that the applicant of twelve months ago was furnished with a building equally as valuable and as serviceable at £700 as the soldier who applies to-day, but who has to pay £800. If that is so, those who are later in the field should have the same facilities and privileges as have been accorded to others.

Senator E. D. MILLEN.—That would mean that the Department would only expect repayments on £700.

Senator PAYNE.—Oh, no! I would not go that far, but I do not think the Minister's contention is logical.

Senator E. D. MILLEN.—I think it is logical.

Senator PAYNE.—I do not think so. The Minister for Repatriation might as well argue that if the Department purchased land at £50 twelve months ago, and the soldier had to pay £75 for it to-day, he should be charged only £50.

Senator E. D. MILLEN.—The country would have to carry the increased cost, and not the soldier.

Senator PAYNE.—We are not giving the men homes, but providing them on the hire-purchase system, to enable them to obtain dwellings for themselves and their families. Last year an applicant could purchase a home up to the value of £700; but we are now informed that, owing to the increase in the cost of material and labour, it is necessary to ask Parliament to agree to increase the amount to £800, on the condition that the applicant must furnish a deposit of £15 to insure his application being accepted. In my opinion, every case should be dealt with on its merits, and the Commissioner should not agree to an application unless he is satisfied that the individual applying has a reasonable prospect of meeting his payments within the specified time. Under these circumstances, the Department

would not be incurring any risk if the deposit were eliminated, and the applicant of to-day would then be in the same position as the applicant of twelve months ago, with the exception that the person applying to-day would have to pay a slightly higher amount as his quarterly or half-yearly instalment. I trust the Minister for Repatriation will see his way clear to eliminate that provision.

I have not had an opportunity of inspecting the war service homes in Queensland; but I understand that in that State they are being built mainly of wood; and that in Tasmania weatherboard structures are being erected. Australian hardwood has proved its suitability for dwelling houses for a long period, and I know of dwellings in Tasmania, constructed of this material, which have been standing for at least thirty-five or forty years. These structures have been carefully maintained, and are now in as good a state of preservation as they were a few years after being erected. The hardwood dwelling has come to stay, particularly in those parts of Australia where it can be suitably utilized.

In giving further consideration to the suggestions that have been made, I trust the Minister will, at the earliest possible moment, confer with the Commissioner to see if it is not possible to provide greater accommodation at a reduced cost, because I believe it can be done by a proper utilization of the available space. I also trust that he will agree to the elimination of the £15 deposit, as provided in sub-clause 2.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [6.4].—In reply to the points submitted by Senator Payne, I desire to say that the Commissioner is desirous of giving as much accommodation as is possible for the money expended. I would also like to say that I think we can challenge comparison, both as regards the value of the houses and the room space provided, with those dwellings constructed by private individuals. But when the honorable senator suggests that approval should be given to a combination bed and dining room home, I am afraid I cannot be sympathetic. The matter has been brought under my notice, and when I am next in Sydney, I shall, in company with the Commissioner, endeavour to see what is going on there. I am open to conviction

if the facts are against me; but I shall make an inspection with a prejudice against the idea of asking people to sleep in rooms that are used for dining.

Senator PAYNE.—It is a matter of air-space and ventilation.

Senator E. D. MILLEN.—I must be largely guided in these matters by the opinions expressed by housewives. I have taken the opportunity of conferring with ladies interested in these homes, and who have made useful suggestions concerning the fittings. I have not had the opportunity of speaking to more than two or three on the question of combined bed-dining rooms, but those to whom I have mentioned the matter have condemned the scheme, on the ground that there is not sufficient ventilation for the bed clothing when it is closeted up all day. I do not know whether that is a substantial objection or not; but it is one that appeals to women, who should know what is required in dwellings of this nature. They seem to regard it as an advantage to have the bedding properly aired.

Senator PAYNE.—It could be.

Senator E. D. MILLEN.—I am endeavouring to arrange an inspection of the properties to which Senator Payne has referred. I have explained the reasons which caused me to induce the Government to adopt that 15 per cent. provision. I still think that no hardship is implied, and that there is a measure of safety in it. Honorable senators are apt to picture hard cases. These make a bad basis for sound laws. The Department has had almost innumerable instances of men who have been in a position, personally, to find a substantial portion of the money required to build them a home; but they have said, "The Government is offering 6 per cent. in respect of the Peace Loan and is lending us money at 5 per cent. for the building of homes for ourselves." I have had actual cases of men in possession of £300 or £400 who have not been prepared to pay one penny by way of deposit. They have said, in effect, "We prefer to borrow from the Government at 5 per cent. and to invest our own money at 6 per cent. or 7 per cent. or 8 per cent." There are industrial securities to-day returning quite as much as I have indicated, and which are safe enough for my money.

Senator WILSON.—And there are a lot of industrial securities which many people would like to get out of.

Senator E. D. MILLEN.—That sounds pathetic and personal, and I am sorry for the honorable senator; but the fact remains, and while honorable senators may be able to bring forward cases of individual soldiers who might be hurt by this provision, I can only answer by relating the experiences of the Commission and by submitting that no great harm can befall.

Senator FOLL (Queensland) [6.8].—The Minister for Repatriation (Senator Millen) has cited cases which have come under his notice where former soldiers have applied for homes and have paid no deposit, despite the fact that they have been in possession of £300 or £400. If it is right that such circumstances should be provided against, the necessary provision should have been inserted in the original Act. The disability should not be introduced in respect of men desirous at this stage of taking advantage of the War Service Homes legislation. Senator Wilson stressed a most important fact, namely, that the man who is least able to pay a deposit, namely, a family man, with all the responsibilities entailed thereby, is the man who is most likely to require a home with an additional room. A £700 house should be sufficient for a newly married man, but an £800 house is necessary in the case of a returned soldier who has a family to provide for, and who, to-day, on account of the high cost of living, is "up against it" from every angle. If we demand from a man with a family a deposit of £15 in order to get a house large enough for his necessities, and we let a man without children go scot-free, we will be acting unjustly. I move—

That sub-clause 2 be left out.

Senator WILSON (South Australia) [6.11].—I cannot see any reason for the 15 per cent. imposition. The matter appears to be altogether too small to warrant specific legislation. It would be unfair to place one man who had served for the full period of the war in a less fortunate position than another who had got back to Australia earlier, and so had been able to take advantage of the lower cost of building material. The figures which Senator E. D. Millen provided in respect of the matter of security were

really astonishing. The public must have been astounded to learn that only £2,000 of the principal advanced has been unpaid. The commercial integrity of the returned soldier, as exhibited to date, should warrant honorable senators in adopting a liberal attitude with regard to the proposal contained in sub-clause 2. As for the suggestion that the Department might well look for cheaper houses, that would involve a false economy. I am not a believer in the cheap concrete house, and I may say that I have paid for my experience in this regard. I shall never again build cheap concrete houses. Upon the present price of concrete the outlay to-day amounts to an excess of 20 per cent. over the cost of building a stone and brick house. It has been conclusively proved that the cheapest, most comfortable, and best type of house is the brick and stone structure now being erected by the Department. It appears to me that the Minister is offering no great objection to the deletion of sub-clause 2; and, for that attitude, he has my commendation.

Senator PRATTEN.—In view of the fact that other honorable senators, who are unavoidably away, would doubtless like to express their views upon the proposed new section, I suggest that the further consideration of the clause be postponed.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [6.15].—I have not been indifferent to the views expressed by honorable senators, whose judgments are likely to be as correct as my own. I have not remained unmoved by the arguments brought forward this afternoon, and, in order to fully consider the proposal to omit portion of the proposed new section, I am willing to deliberate further upon it at a later stage.

Progress reported.

Senate adjourned at 6.17 p.m.

House of Representatives.

Wednesday, 25 August, 1920.

The CLERK reported the unavoidable absence of Mr. Speaker.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter) took the chair at 3.1 p.m., and read prayers.

PERSONAL EXPLANATION.

Mr. RICHARD FOSTER.—By way of personal explanation, I call attention to a statement published in Monday's *Argus* and this morning's *Age*, which associates my name with Divorce Court proceedings in Melbourne. My knowledge of the publications of this statement came to me only on my arrival from Adelaide this morning. The statement is false in every particular; I have never even heard of the persons concerned in the alleged proceedings. I promptly placed the matter in the hands of solicitors, so that action might be taken against the newspapers responsible for the publication. I wish to express my appreciation of the courtesy and decency of those conducting the Melbourne *Herald*, who refused to publish the statement pending an interview with me. During my twenty-seven years of parliamentary life—twelve of which have been spent in this Parliament—I have come into daily contact, in the friendliest manner, with the representatives of the newspapers that I have mentioned, yet they published a shocking libel upon me without having the decency to ascertain from me whether the statement was true or false.

WOOL SCOURING.

Mr. MARR.—A large number of men in the wool-scouring industry are being put off for lack of wool to scour, and I therefore ask the Prime Minister if he will make wool available from the supply awaiting shipment? I have received telegrams from practically all the wool-scouring works in and about the metropolis of New South Wales. Messrs. Swinburne Brothers are closing this week; Henry Haigh and Sons Limited, or Liverpool, having no wool to scour, have practically closed down; Messrs. Swinbourne and Stephen have put off thirty-seven men, and thirty-three more will finish this week; and the position is about the same with Messrs. Sugden and Company Limited and Messrs Wright and Bruce.

Mr. HUGHES.—I realize that the closing down of the works mentioned must involve the throwing out of employment of a large number of men, and I shall make inquiries without delay to see what steps, if any, can be taken to make

wool available for scouring. Before the embargo was raised, the Government were in direct communication regarding it with all the interests involved, and it was as a result of representations made by a deputation at which these interests were represented that the embargo was raised. Certain honorable members were present at that deputation. I then put the question categorically to the representatives of each industry—to those of the packers, growers, brokers, fell-mongers, and scourers—whether they were quite sure that the action which they wished me to take was compatible with the best interests of Australia. I said to the representatives of the fell-mongers and scourers, "Are you quite sure that you will have enough wool to scour?" To that question their reply was "Yes." I asked, "Do you wish me to take this action?" They said "Yes." I said, "Are you sure that you represent the whole industry in Victoria, New South Wales, and elsewhere?" and they replied "Yes." Under these circumstances the Government are hardly to blame for the removal of the embargo. Any blame there may be must fall on the shoulders of those who, having had the amplest opportunity to consider the matter, and being invited by me to set out exactly what was wanted for local requirements, failed to do so. Their present complaint is a poor expression of gratitude to the Government, which for the past six years have drawn upon themselves the criticism of the growers for their action in making wool available to the scourers at a much lower price than could be got anywhere else in the world. However, I shall make inquiries, and see what can be done.

LEAGUE OF NATIONS' CONTRIBUTIONS.

Mr. McWILLIAMS.—Has the attention of the Prime Minister been drawn to the following cablegram:

Sir Richard Amess, formerly Honorary Secretary of the Canadian Patriotic Fund, who is an officer of the League of Nations, complains that Australia is the only Dominion which has not yet paid the 1920 contribution to upkeep of the League of Nations. Similar delays have only occurred in connexion with China, Hayti, and other smaller South American Republics.

That statement is such a serious reflection on the Commonwealth that I bring it under the notice of the Prime Minister.

Mr. HUGHES.—So far as I know, it is not a fact that the Commonwealth contribution has not been paid; but, if the contribution is unpaid, the omission will, of course, be repaired. However, I shall make inquiries into the matter.

ROYAL AUSTRALIAN GARRISON ARTILLERY.

Mr. WATKINS.—Is it the intention of the Defence Department, on the plea of employing returned soldiers in the Royal Australian Garrison Artillery, to discharge married men who volunteered, and obtained the volunteer's badge, but were prevented from going to the war; and is the Department recruiting young single men who did not go to the war?

Sir GRANVILLE RYRIE.—It is not a fact that we are putting off married men who volunteered to go to the war. The replacement of those who did not volunteer by other men is under consideration, though nothing definite has been decided. We shall not put off married men who unconditionally volunteered for service abroad. I shall get a definite statement for the honorable member.

AVIATION.

FLIGHT OF LIEUTENANTS PARER AND MCINTOSH—COMMERCIAL AVIATION ON NORTH-WEST COAST.

Mr. MARKS.—As I was the first honorable member of either House to raise the question of making a grant to Lieutenants Parer and McIntosh, who have just completed an aerial flight from London to Australia, I would like to know whether it is true, as reported in the press, that the Commonwealth propose to make a grant of £1,000 to these distinguished officers in recognition of their great exploit, and to suggest that the amount might be made £1,000 each.

Mr. HUGHES.—It is correct that the Government have decided to make a grant of £1,000 to Lieutenants Parer and McIntosh in recognition of their splendid feat, but the honorable member's request to have the amount increased will be duly considered. I hope the honorable member is not overlooking the fact that it was

entirely owing to the action of the Commonwealth Government that any of these flights have been made. So far as I know, it is the only Government throughout the Empire that has done anything to encourage aviation on such a large scale. However, I join with the honorable member in paying my tribute to Lieutenants Parer and McIntosh. When the Government offered a prize of £10,000 for a flight from London to Australia, the idea was to demonstrate that aerial navigation between Europe and Australia was not only possible, but could also be achieved within a time that would demonstrate the superiority of this form of navigation over any other in point of the time occupied on the journey. These splendid young men have arrived here after a series of most wonderful mishaps and adventures in a machine totally unfit for a world flight. Their feat stands out like those of the ancient circumnavigators who encircled the world with vessels that now would hardly be considered safe in Port Phillip or Sydney Harbor. The request of the honorable member will be regarded by the Government with favorable eyes, and if we are not able to accede to it, our friends Lieutenants Parer and McIntosh will realize that it is not because the Government do not fully recognise what they have done, but because of the financial position.

Mr. GREGORY.—Has the Postmaster-General yet consulted the Minister for Defence in regard to the request put forward by me a little time ago, that the Government should subsidize commercial aviation on the north-west coast of Western Australia?

Mr. WISE.—The matter is now under consideration by the Minister for Defence and myself.

GOVERNMENT'S FINANCIAL PROPOSALS.

Mr. WEST.—I wish to know if an article appearing in this morning's *Argus*, setting forth what are alleged to be the financial proposals of the Government, was inspired by the Treasurer, and whether it correctly states the Government's financial policy?

Sir JOSEPH COOK.—I hope that I did not inspire anything so extraordinary.

LEAGUE OF NATIONS.

REPRESENTATION OF AUSTRALIA: MOVEMENTS OF PRIME MINISTER.

Mr. McWILLIAMS.—Can the Prime Minister give the House any information in regard to the intentions of the Government in respect to the representation of Australia at the forthcoming League of Nations Conference?

Mr. HUGHES.—Beyond repeating my former statement that the Commonwealth Government will be represented at the League of Nations, I have no further information to give on the matter. I have noted with very great interest certain observations in the press in regard to the intentions of the Government and my own movements in particular. I have seen myself hurled through the ambient air with great speed and much recklessness to Vancouver, to Geneva, to Rabaul, and to other places, but I find myself here, and what my intentions are the Lord only knows.

PRICE OF BUTTER.

Mr. FENTON.—Has the Minister for Trade and Customs any authentic information in respect to the sale of Australia's surplus butter to the British Government? Is there any truth in the rumour that the price is to be increased to 270s. per cwt.?

Mr. GREENE.—I have no information to give beyond what I gave the House when the Butter Agreement Bill was under consideration.

MAIL CONTRACTORS.

Mr. PARKER MOLONEY.—In regard to a deputation of honorable members on this side of the House which waited on the Postmaster-General some weeks ago, I would like to know whether the Minister has arrived at any decision as to the proposed treatment of mail contractors. I have a circular in my hand which is typical of those sent out by the Deputy Postmaster-General of New South Wales, advancing reasons for denying to mail contractors any consideration for contracts entered into this year, and claiming that these men at the beginning of the year must have been in a position to know whether or not their contracts would pay. That seems to me

to be such an extraordinary statement, seeing that last month the price of fodder was twice as high as it was in January last, that I would like to know if the Postmaster-General acquiesces in it?

Mr. WISE.—I do.

BASIS OF EXCHANGE.

Mr. BRUCE.—Has the attention of the Prime Minister been drawn to a statement made by the Minister for Customs when dealing with the question of the calculation of the basis of foreign exchange, that it was proposed to do nothing in the matter until a case, which I understand has been commenced before the Courts, had been settled? I would like to know whether that statement was the considered judgment of Cabinet, and if the matter has not yet been considered by Cabinet I would ask that it should be, particularly in view of the fact that the legal action referred to may be taken by appeal to the Privy Council, thus permitting the whole question, which does not deal with the past, but relates to the future, to be held up for an indefinite period.

Mr. HUGHES.—I have had an opportunity of discussing this matter with my honorable colleague, the Minister for Trade and Customs (Mr. Greene), and we have looked at it from every point of view. We have also had opportunities of discussing the question with the Consul-General for France. The fact that a case is now pending creates an awkward position, and one which, in certain circumstances, might be most embarrassing. The reply to the honorable member's question is that the Government considers that the view taken by the Department of Trade and Customs as to the basis upon which duty should be collected is the correct interpretation of the law. What the law is will, of course, be decided by the Courts; but the intentions of the Government may now be set out. The Government, while not admitting for one moment that the view of the Department of Trade and Customs is other than the correct interpretation of the existing law, realizes that the levying of duties upon the par rate of exchange may, and probably does, involve in certain cases hardship upon countries with a depreciated currency. In order to remove this disadvantage, the

Government proposes to introduce legislation which, while offering relief to France and Italy, amongst other countries, will safeguard the interests of the Commonwealth, and will prevent the imposition of a most serious, if not intolerable, handicap upon America. The possibilities of dumping are not to be overlooked, and the Government will introduce legislation at an early date. That may be taken to be the policy of the Government, irrespective of the case now pending, and of any decision that may be given upon it.

The position, therefore, is that the Government believes that the Department of Trade and Customs is correct in its interpretation of the law, and that in normal conditions it is the most equitable method of calculating the basis on which duty should be collected. But it recognises that abnormal circumstances now exist, and it will introduce legislation which will relieve the disadvantages under which France now labours, and at the same time protect the interests of the Commonwealth, while not imposing handicaps upon America.

DISMISSAL OF EMPLOYEES AT NAVAL DEPOT.

Mr. MATHEWS.—In regard to the proposal to dismiss or retire a number of men who have been engaged in stores and repair work at the Naval Depôt, Melbourne, I desire to ask the Minister for the Navy whether, before taking that action, he will confer with the Minister in charge of shipbuilding, and ascertain whether the men could not be found work in connexion with the shipbuilding operations of the Government. It is quite possible that the particular work carried out at the Naval Depôt by these men might be taken over by the shipbuilding branch, and the men thus given a chance of continuing in employment.

Mr. LAIRD SMITH.—I shall be glad to confer with the Minister in charge of shipbuilding, with the object of ascertaining whether anything can be done for these men.

EXPORT OF SCRAP METALS.

Mr. HUGHES.—The honorable member for Dampier (Mr. Gregory), on the motion for the adjournment of the

House on Friday last, put to my right honorable colleague the Treasurer (Sir Joseph Cook) a question which, earlier in the day, he had addressed to the Minister for Trade and Customs (Mr. Greene) in relation to the embargo on the export of scrap steel imposed by the Department of Trade and Customs, at the instance of the Attorney-General's Department. In the course of his remarks, on the motion for the adjournment, he made the following statements:—

- (a) Although I have made specific representations, I have failed to obtain anything in the nature of a definite reply.
- (b) I have never yet had from the Attorney-General's Department a lucid answer to any question I have put to it in regard to the metal industry.
- (c) I can get no information from the Government as to whether or not its export will be permitted.

The honorable member's recollection of the facts is not accurate. His representations on this subject have received full attention. When the honorable member first raised the question about permitting a dealer in Western Australia to export some 70 tons of horse shoes to the East, I made a comprehensive statement in the House. On 20th May last (*Hansard*, page 2415), I made a statement on this subject, and cannot do better now than remind the honorable member of a portion of it.

In the case referred to by the honorable member the applicants did not hold any horse shoes, but wished to buy 70 tons for export to Hong Kong. Permission to ship was refused by the Government, as local users were prepared to purchase the horse shoes at a reasonable price for local treatment in Western Australia, where electric furnaces are at present being erected to treat the Western Australian production and accumulated stocks of scrap steel.

Moreover, in reply to the honorable member's further representations, a letter was sent to him from the Prime Minister's Department on the 12th June, stating that the question of permitting the exportation of the horse shoes was fully considered before my statement previously referred to was made, and, further, that "in view of the circumstances then explained, it is regretted that permission to ship cannot be given."

Again, on the 30th June, a further letter was addressed to him by the Prime

Minister's Department, advising him as follows:—

I desire to inform you that the Metal Exchange did not refuse the application to ship the horse shoes. The decision conveyed to the company by the Metal Exchange was the decision of the Government, the matter having been submitted by the Metal Exchange for such decision. As Messrs. Paterson and Company had telegraphed to the Metal Exchange, a reply was sent to the applicants through the same channel.

The honorable member now repeats the old statement that the Metal Exchange refused the permit. He has been repeatedly told that permission to ship would not be given, and that the Metal Exchange simply conveyed to the applicants the decision of the Government.

Let me repeat what I stated here on 20th May last:—

The Government cannot permit dealers to export scrap steel, making for themselves from £1 to £2 profit per ton, whereas, by insisting on local treatment, at least £27 per ton is spent by the steel founders in the Commonwealth, mostly in direct wages, and reasonable prices are at the same time obtained by the producers of the scrap.

The honorable member stated that an embargo had "now" been placed on the export of scrap steel. There has been an embargo for nearly five years, and during that time the Australian iron and steel industry has made gigantic strides. Scrap iron and steel has been essential to this industry. In last Friday's *Argus* extracts are published from the Broken Hill Proprietary's annual report. This is one of the extracts—

In most countries this (scrap iron and steel) is very readily obtained, and from 30 per cent. to 35 per cent. is considered a proper mixture. At Newcastle, however, the supply of this material is very limited, and only about 17 per cent. of the charge can be added. This will be remedied by the installation of a duplex plant, which uses molten metal without any scrap.

Instead of permitting dealers to export scrap metals to the East to be worked up by cheap Asiatic labour, the Government insists on the scrap being utilized locally, provided the users are prepared to pay a reasonable price. If this scrap was sold to the East, the resultant steel would compete in the world's market with steel manufactured in Australia by Australians. The local iron-works must have scrap, but the dealers for whom the honorable member acts as advocate are

not concerned with national industries. The dealer wants his own little profit of £1 or so per ton on the scrap, but the Government takes a different view. It is not the producers of scrap who complain. They have expressed no dissatisfaction with the prices offered by the local iron founders. No complaint of any kind has been made by a producer. The dealers who were applicants in this case when they applied for permission to ship did not hold any scrap, but if they obtained permission to ship would be prepared to buy some. No injury was done to them by refusing a permit; but the sound reasons underlying the metal policy of the Government do not come within the range of their vision.

In conclusion, I appeal to the honorable member to assist the establishment of the iron and steel industry in the West. A company which has already made good in New South Wales has now put in a plant in the West, which is expected by October to be producing sufficient steel of various grades to meet the requirements of that State. Without an assured supply of scrap it cannot carry on. It is a customer for all the available Western Australian scrap. So long as producers are paid fair and reasonable prices, the Government cannot permit dealers to export the life blood of the electric steel industry to the East to be worked up there by cheap Asiatic labour.

Mr. GREGORY.—What action has been taken by the Prime Minister's Department to protect the seller or owner of any scrap steel or metal in Western Australia? Has any regulation been passed in reference to the buyer, if there is a buyer—though I am given to understand that at present there is not—or any regulation or instruction which will in any shape or form protect the seller of scrap steel or iron?

Mr. HUGHES.—I do not admit that the facts are as stated by the honorable member. In the infancy of every industry, raw material is an essential, and no manufacturer, or intending manufacturer, will sink money unless assured of it. It is not proposed to permit this raw material to be exported when it can be treated and worked up into resultant steel, and made available to the consumers in this country. Iron and steel

are the very basis of all industry, and we should be living in a paradise of fools if we permitted the iron and steel referred to to go out of the country when we can manufacture it into its final form here.

AUSTRALIAN FOODSTUFFS.

CONGESTION AT LONDON DOCKS.

Mr. MAKIN.—About a fortnight ago, I asked the Prime Minister whether he was aware of the congestion that has taken place at the London Docks in the matter of Australian foodstuffs? I have not received a reply to that question yet.

Mr. HUGHES.—I read an answer to the honorable member's question, but said I would get him some further information. I do not think that I have that information here now, but I shall get it for him.

OVERSEAS INSULATED SPACE.

Mr. McWILLIAMS.—Has the Controller of Shipping obtained any information with regard to the control of overseas insulated space for the coming season? If any information has been obtained, what is the price charged for freight, especially in the case of fruit?

Mr. POYNTON.—The honorable member was good enough to let me know that he intended to ask this question, and I have been able to ascertain for him the latest advice received from London by the Commonwealth Line of Steamers in connexion with refrigerated space in vessels loading from Australian ports to the United Kingdom. It is that the Imperial Government has retained control of all the insulated space until April of next year, and is paying for the same at the rate of £7 4s. per ton for all space requisitioned. The previous rate was £6 12s. 6d.

Mr. McWILLIAMS.—And freights are falling all over the world!

SHIPPING POLICY OF THE GOVERNMENT.

Mr. RILEY.—When does the Prime Minister propose to inform the House as to the shipping policy of the Government? Does he propose to continue the building of ships? I am afraid that at present the industry is almost worked out.

Mr. HUGHES.—I was not aware of that fact. So far as I know, the industry is going on.

Mr. RILEY.—It is very slack.

Mr. HUGHES.—What has the honorable member in his mind?

Mr. RILEY.—I want more keels laid down—more ships built.

Mr. HUGHES.—I shall attend to it at tea time.

Later—

Mr. RILEY.—As the Prime Minister will not answer my question, I propose to put it through the Minister in charge of shipbuilding.

Mr. HUGHES.—Put the question to me.

Mr. RILEY.—I am now putting the question to the Minister in charge of shipbuilding.

Mr. HUGHES.—Then you will get no answer.

Mr. RILEY.—I do not care whether I do so or not.

Mr. HUGHES.—All right.

Mr. RILEY.—I ask the Minister in charge of shipbuilding what is the proposal of the Government in regard to shipbuilding: is the Government backing and filling in this matter? The Government had better let the public know what is being done.

Mr. HUGHES.—I told the honorable member I would attend to the matter at tea time.

Mr. RILEY.—That is no answer.

Mr. HUGHES.—It is all the answer you will get.

PEACE WITH AUSTRIA.

ISSUE OF PROCLAMATION.

Mr. BRENNAN.—I desire to ask a question, without notice, of the Prime Minister, and, by way of explanation, refer to messages which have passed between the Secretary of State for the Colonies and the Government in regard to the formal declaration of Peace. I understand that on 16th July there was a formal peace signed with Austria, and that on the 20th July a message was sent by the Secretary of State for the Colonies to the Government—

With reference to my telegram, 17th July, proposed to issue Order-in-Council under section 13 Termination of Present War Definition Act 1918, fixing date of termination of war with Australia, 16th July.

I desire to ask the Prime Minister if he is in a position to tell the House what reply was sent to the Secretary of State for the Colonies in reference to this proclamation. I wish to know whether the Prime Minister, at an early date, proposes to issue a proclamation by the Governor-General formally declaring a state of peace between the Commonwealth and Austria?

Mr. HUGHES.—I have not at my fingers' ends all the cables between the Government and the Secretary of State for the Colonies in reference to this matter, but yesterday I attached my signature to a recommendation to His Excellency the Governor-General to sign a proclamation of peace with Australia. That proclamation will be gazetted in a day or so; if it is not gazetted to-day it is because His Excellency is not in this State. The Government have done their part, and the proclamation will issue in the course of a day or two.

CONCILIATION AND ARBITRATION COURT.

REMARKS BY MR. JUSTICE HIGGINS.

Mr. HECTOR LAMOND.—Is the Attorney-General able to inform the House whether the remarks attributed to Mr. Justice Higgins, in this morning's press, are accurate; if so, is it proposed to take any steps to prevent a repetition of the attempt to intimidate Parliament in the legislation it is considering?

Mr. HUGHES.—I do not know whether the newspaper report is correct or not. The remarks certainly appeared in the press, but, as we have already heard from the honorable member for Wakefield (Mr. Richard Foster), quite a number of things appear in the press which are inaccurate. If the newspaper report is accurate I think that the remarks are most improper. The functions of this Legislature, and the functions of the Judiciary, are clearly defined, and just as comment here would be greatly resented, indeed, not permitted, on the work of the Judiciary, so neither should the Judiciary indulge in such comment and criticism of the Legislature.

INCOME TAX.

MINING LEASES.

Mr. GREGORY asked the Treasurer, upon notice—

Is the amount realized for the sale of a gold or other mining lease taxable under section 14d of the Federal income assessment tax?

Sir JOSEPH COOK.—This question is shortly to be determined by the Supreme Court of Western Australia, to which an appeal is being made contesting the validity of bringing payments received by lessees, upon the assignment or transfer of a mining lease, within the operation of section 14d of the Income Tax Assessment Act.

AUSTRALIAN IMPERIAL FORCE.

ARTIFICIAL LIMBS.

Mr. LISTER asked the Minister representing the Minister for Repatriation, upon notice—

1. What is the total number of artificial limbs—(a) arms, (b) legs—supplied to members of the Australian Imperial Force since the establishment of the Artificial Limb Factory in Australia?

2. What is the average cost per limb?

3. Is it true that many limbs supplied are causing considerable inconvenience and discomfiture to those unfortunate enough to need them?

Sir GRANVILLE RYRIE.—The answers to the honorable member's questions are as follow:—

1. The number of limbs supplied by the Government Artificial Limbs Factories since their establishment is—

(a) Arms, 293;

(b) Legs, 2,356;

and in addition 448 Carne arms have been supplied and fitted by the Carne Arm Limited.

2. The average cost of limbs supplied by the Government Artificial Limbs Factories is as follows:—

Arms—above elbow, £19 15s. 1d.; below elbow, £15 9s. 1d.

Legs—above knee, £21 8s. 8d.; below knee, £16 7s. 5d.

3. Every artificial replacement entails more or less inconvenience and discomfiture to the person who is fitted with one, but there is ample evidence to show that the limbs being turned out by the Government Artificial Limbs Factories are highly satisfactory. If the honorable member will inform me of any instances in which limbs supplied by the Government Artificial Limbs Factories are unsatisfactory, I will have the matter looked into at once.

MILITARY STAFF CLERKS.**PUBLIC SERVICE BILL.**

Mr. BRENNAN asked the Minister representing the Minister for Defence, *upon notice*—

1. Are military staff clerks to be brought under the operation of the Public Service Act, as suggested by Senator Pearce, but not stated in his speech in another place on the 6th August, 1920—*Hansard*, page 3361?

2. If so, will they be under the supervision of the Public Service Board of Management to the same extent as is proposed to be applied to other members of the Public Service?

3. Are such persons eligible for positions in the finance section of the Defence Department head-quarters and the various district accounts offices, such as were recently advertised as vacant in the *Commonwealth Gazette*?

Sir GRANVILLE RYRIE.—The answers to the honorable member's questions are as follow:—

1 and 2. It is proposed that the clerical staffs of the Defence Department shall be brought under the Public Service Act, but finally will not be reached in the matter until the new Public Service Bill is brought before Parliament.

3. Applications of military staff clerks for positions in the finance section of the Department will be considered and dealt with on their merits.

SUGAR SHORTAGE.

Mr. McGRATH asked the Minister for Trade and Customs, *upon notice*—

1. Is it true that large quantities of raw sugar are held by the Department?

2. If so, will he consider the advisability of releasing portion of this sugar, with a view of meeting the shortage caused by the limited quantity of refined sugar that is available?

Mr. GREENE.—The answers to the honorable member's questions are as follows:—

1. No.

2. See reply to No. 1.

PRICE OF LACTOGEN.

Mr. GABR asked the Prime Minister, *upon notice*—

1. Whether it is a fact that chemists have been circularized to increase the price of "Lactogen" from 6s. to 9s. per 3-lb. tin?

2. If so, may not this act against Australia in the matter of race production, both in regard to quality and quantity, and in this connexion will the Government consider the question of subsidizing the company concerned in regard to this article, so that it may be sold at a reasonable price?

Mr. HUGHES.—I am unaware of any action having been taken to increase the price of Lactogen, but would point out to the honorable member that the Commonwealth Government has ceased to control price-fixing, which is now dealt with by the Governments of the various States.

MAIL CONTRACTORS.**DROUGHT ALLOWANCE.**

Mr. McGRATH asked the Postmaster-General, *upon notice*—

Whether he has decided to grant any financial assistance to mail contractors who have suffered serious financial losses through the increased price of fodder caused by the recent drought?

Mr. WISE.—Cabinet has approved of extra sums being paid to mail contractors in drought-stricken areas where it is shown that such is warranted.

LANDLORDS AND CHILDREN.

Dr. MALONEY asked the Prime Minister, *upon notice*—

1. If, in view of the Australian baby being the best immigrant for Australia, he will take the necessary steps to bring in a Bill providing that any landlord, landlady, or house and land agent who asks an applicant for a house if he has any children shall be punished for the first offence with one week's imprisonment?

2. Will he make provision to punish, with a similar penalty, any person who advertises in any paper that house seekers having children need not apply?

3. If the Prime Minister finds it impossible to make this law for all Australia, will the Minister enter into communication with all the State Governments, with a view to remedying this matter?

Mr. HUGHES.—This is a matter for consideration by the Governments of the various States, under whose notice a copy of the honorable member's questions will be brought.

WHEAT SUPPLY: NEW SOUTH WALES.

Mr. JOWETT (for Mr. GIBSON) asked the Prime Minister, *upon notice*—

1. Whether he will give a fuller reply to the question of the honorable member for Corangamite, of the 20th August, in reference to Western Australian wheat supplies to New South Wales?

2. What proportion has Western Australia agreed to supply to New South Wales?

3. Is Western Australia's proportion arranged on the same basis as the other States?

4. Will it not be detrimental to the Victoria Pool to supply the greater part of New South Wales requirements as stated in reply of 20th.

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1 and 2. Neither Western Australia nor any other State has agreed to supply any specific quantity or proportion to New South Wales.

3. Supplies will probably not be drawn by the Australian Wheat Board from Western Australian stocks.

4. No. Under the pooling system it is immaterial from which State supplies of wheat or flour are made on account of any specified contract made by the Australian Wheat Board. The sales to New South Wales and other States are being regarded as oversea sales; therefore, the proceeds are pooled so that the sale will be on account of all the pooling States.

BARRIER POSTAL OFFICIALS.

Mr. WISE.—On 19th August, the honorable member for Barrier (Mr. Considine) asked me the following questions:—

1. Whether any reduction in the salaries paid to officials in charge of post-offices in the Barrier electorate is contemplated, or has it taken place within the last few weeks?

2. If so, will the Minister state the reason for such reduction or contemplated reduction?

I promised that the information would be obtained, and the Deputy Postmaster-General, Sydney, now reports as follows:—

1. Reductions have been made from 1st July, 1920, in the payments for conducting the non-official post-offices at Woomboota and Tilpa.

2. The reductions are due to variations in mail services, which caused a reduced number of night and Sunday attendances at the offices mentioned.

AUDIT BILL.

Bill returned from the Senate with amendments.

PAPERS.

The following papers were presented:—

Customs Act—Proclamation (dated 11th August, 1920) revoking so much of Proclamation (dated 1st October, 1919) as relates to the Exportation of Superphosphates and the raw material for the manufacture of such goods.

Census and Statistics Act—Regulations—Statutory Rules 1920, No. 127.

Norfolk Island—

Ordinance of 1920—No. 1—Preserved Fish Bounties.

Regulations under the Preserved Fish Bounties Ordinance 1920.

Public Service Act—Promotion of Mr. J. O'Flaherty, Department of the Treasury.

Seat of Government—

Ordinance of 1920—No. 1—Meat.

Regulations under the Meat Ordinance 1920.

War Service Homes Act—Land acquired under, at—

Auburn, New South Wales.

Islington, Newcastle, New South Wales.

Newbottle, Waratah, New South Wales.

ORDER OF BUSINESS.

POSTPONEMENT OF NEW GUINEA VISIT.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [3.47].—I move—

That Order of the Day No. 1 be postponed until after consideration of Order of the Day No. 3.

It was in contemplation that members of the Parliament should pay a visit to Rabaul, in order to see something of the islands over which the mandates have been granted. But that visit has been postponed, and as there is now no immediate urgency for passing the New Guinea Bill, the Government ask the House to proceed at once with the two Bills relating to industrial matters.

Question resolved in the affirmative.

CONCILIATION AND ARBITRATION BILL.

In Committee (Consideration resumed from 20th August, *vide* page 3750):

Clause 2—

Section 4 of the principal Act is amended—

(a) by inserting in the definition of "Industrial Matters", after the word "body," the words "and any matter as to the demarcation of functions of any employees or classes of employees";

(b) by inserting in the definition of "Lock-out", after the word "employment" (first occurring), the words "and the total or partial refusal of employers, acting in combination, to give work, if the refusal is unreasonable"; and

(c) by inserting in the definition of "Strike", after the word "employers", the words "and the total or partial refusal of employees, acting in combination, to accept work, if the refusal is unreasonable";.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [3.49].—I move—

That the following paragraph be inserted:—

"(aa) by inserting in the definition of 'employer,' after the word 'industry,' the words 'and includes a club.'"

A doubt exists as to whether a club comes within the definition of an employer, and the amendment will make it clear that it does.

Mr. CHARLTON (Hunter) [3.50].—The unions have requested that such an alteration should be made, and I therefore support the amendment.

Amendment agreed to.

Mr. CHARLTON (Hunter) [3.51].—I take it that the proposal to insert in the definition of industrial matters the words—

And any matter as to the demarcation of functions of any employees or classes of employees,

is intended to provide for the settlement of the many disputes that arise and are found difficult to adjust as a result of the overlapping of work which sometimes occurs, especially in connexion with shipbuilding?

Mr. GROOM.—That is so.

Mr. CHARLTON.—It is proposed to further amend section 4 of the principal Act by inserting in the definition of "lockout" the words—

And the total or partial refusal of employers, acting in combination, to give work, if the refusal is unreasonable.

The definition of "strike" is similarly widened in regard to the total or partial refusal of employees to accept work. It may have been found in practice that the widening of the definition of "lockout" is needed, and it may be argued that employees should be placed on the same footing as employers in this matter. I do not for a moment urge that they should be dealt with differently, but I would point out to the Minister that the widening of the definition of "strike" may bring under the penal provisions of the law unions and associations which have not been parties to a strike. A large association may have many lodges, and a lodge may have several branches. The members of any of these branches might do something to bring about a total or partial refusal to accept work, but the association might be no party to the action taken, though two or three days might elapse before it could interfere. I do not think that under such circumstances an association should be made responsible for action taken by some of its members without its consent. There might be a total or partial refusal of work on the part of 100 members of an

association possessing a membership of 5,000 or 10,000. The penalty for striking is so large that an association could not take the risk of coming under the Act if the interpretation that I fear might be given to this amendment. I should like to know what it really means.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [3.54].—It is section 6 of the principal Act that imposes the penalty for anything done in the nature of a lockout or strike; we are here dealing only with the definitions of "lockout" and "strike," which it is proposed to widen in the manner referred to by the honorable member. If what he spoke of took place, the organization would not be liable, but only the persons who, acting in combination, totally or partially refuse to accept work. An organization would not be liable for the acts in the nature of strikes committed by isolated sections of its members; the liability would attach only to the strikers themselves.

Mr. GREGORY (Dampier) [3.57].—Several things of which I do not approve have been done in Australia of late years under our Arbitration law, but I can find nothing in this Bill to prevent them. I should like to know whether the Minister proposes to limit or restrain in any way the powers of unions to exclude from their membership persons who wish to join them. As affording illustrations of the kind of conduct to which I take exception, let me read this extract from the Sydney *Bulletin* of 19th August, which deals with the treatment of returned soldiers and the housing of them—

The effort to shut them out of the boilermaking and bricklaying trades is still more so. Many soldiers passed the best part of their apprenticeship days defending Australia, and so have to start or resume their trades rather late in life. They are not new intruders, but old inhabitants. Being too old to be ordinary apprentices, a small number began to learn trades at Sydney Technical College, but their reception is cold. The Boilermakers Union refuses to work with any of them when they have qualified, and the Bricklayers Union offers, grudgingly, to admit 100 and no more. The vast bulk of the returned men are welcome to become loafers, race-course hangers-on, or criminals, or they may go on the land (if they can get there) without knowledge and with a £2,000 loan-money mortgage, but otherwise the Popes of Labour put them outside the pale. It is not, of course, that there isn't room for them; a thousand new bricklayers could find employment in the Ma State, besides carpenters and

stonemasons in large numbers. There is even room for more than that number of brick-makers alone.

I do not know if the matter to which I have directed attention could be legislated for in connexion with the proposal to amend the definition of industrial matters by the insertion of words regarding the demarcation of functions, but I should be glad to know whether here or later an amendment can be moved which will prevent the too great exclusiveness of the unions. A demand for preference to unionists has been made, and I hope will never be granted, but should it be granted it will be necessary to protect the interests of those who desire to become members of unions. Is anything proposed to be done by the Government in this matter?

Mr. GROOM (Darling Downs—Minister for Works and Railways) [4.1].—The Bill contains no provision dealing with the matter to which the honorable member has referred, but it seems to me that the best course, if he wishes the Committee to take any action in regard to it, is for him to move the insertion of a new clause.

Mr. BRENNAN (Batman) [4.2].—I am sorry that circumstances prevented me from taking part in the second-reading debate, because I wished to say something on the subject of arbitration generally, and the Bill, though not a long one, gives opportunity for the discussion of a number of important matters. This clause affirms the right of some tribunal to force men to work—a matter about which I feel so strongly that I shall vote against it. I cannot accept, and I hope that the party with which I am associated will not accept, the declaration of that right. We are moving in the direction of freedom of contract between employer and employee rather than away from it. The Labour party has always stood for compulsory arbitration, for the reason that the so-called freedom of contract between employers and employees did not exist. Employers, because of their organization, their command of wealth, and the economic and social pressure that they can bring to bear, made it impossible for the employees to exercise a deliberate choice. But now I am happy to think that, with the greater enlightenment which has come to the workers of this country, and the more definite manner in which they have organized for their own

protection, they, through their organizations, are able to confer on equal terms with their employers as to what their conditions of service should be. Therefore, the principle never yet having been embodied in an Act of Parliament that a man shall be compelled to work, I maintain we should hesitate before we insert it in one.

Mr. BAMFORD.—Except in Russia.

Mr. BRENNAN.—Whether the principle is right or wrong in Russia—and I have not sufficient information to justify me in discussing the conditions which apply there—does not necessarily make it right or wrong here. I am opposed to this clause because it empowers the tribunal to say that men shall work. I am well aware that the penalties are only applicable in cases where the refusal to work is unreasonable, but the test of unreasonableness is no longer a matter of the judgment of the persons most concerned, but is a question to be decided by some outside tribunal.

Mr. GROOM.—What part of the clause will compel men to work?

Mr. BRENNAN.—If this definition does not impose penalties for refusal to work, I misunderstand it altogether.

Mr. GROOM.—The refusal must be on the part of a number acting in combination.

Mr. BRENNAN.—In speaking of action in combination, does the Minister allude to conspiracy, or to the deliberation of men whose interests are similar, and who confer together for their own self-protection? That may be regarded as acting in combination, but it may not necessarily be conspiracy or a breach of the law, and may simply mean nothing more than legitimate organization. In the amendment of the definition of "strike" occur the words "and the total or partial refusal of employees acting in combination to accept work if the refusal is unreasonable." Thus a tribunal will sit for the purpose of considering the impulses that have moved men to decline to work under certain circumstances. I remember when the President of the Arbitration Court was the subject of a good deal of very bitter and utterly uncalled for criticism in connexion with a public declaration he made—that men were not compelled by arbitration to work, even men who were members of an organization enjoying an award; and although

that was merely a truism, his utterance seemed to shock a certain section of public conscience. Compulsory arbitration does not mean the compulsion of any man to work unless he is satisfied that, under the conditions attaching to the employment and the wage offered, it suits him to do so.

Mr. MATHEWS.—What little civilization we have is gone once a man is compelled to work.

Mr. BRENNAN.—This Bill is evidently designed to kill the condition of affairs which the President of the Arbitration Court, in the ordinary discharge of his duties, said was the law and the practice, and is designed so to tighten up the law that men may be compelled to accept work at certain rates and under certain conditions. I cannot, for a moment, agree to such a proposal. I think that the times are moving away from the atmosphere of compulsion. I take this opportunity of saying that the operation of the Federal Arbitration Court has been immensely beneficial to all interests in this country. Because there have been isolated cases in which men bound by an award have not seen fit to observe it, it has been contended that the Arbitration Court has been a failure; but that contention has been raised by persons who have not been in a position to submit to the country, or to the House, that mass of evidence which they might have submitted in regard to the number of disputes which have been settled and prevented, and also in regard to the amount of disorganization and loss which has been prevented by the operation of the Court functioning through the various methods at its command.

Mr. GREGORY.—With industrial agreements there would not have been the animosity that has been created under arbitration.

Mr. BRENNAN.—But there can be industrial agreements under the Conciliation and Arbitration Act. They are made and filed every day, but no public applause is heard about them; but public indignation is suddenly fired up against the Act because occasionally turmoil arises in some particular industry. In other words, full account is taken of every industrial disturbance which actually occurs, but apparently no account is taken of the number of disturbances that have been prevented under the operation of

the Act. In considering this clause, I think I am entitled to say that it is to be immensely regretted that there has been apparently a deliberate desire on the part of vested interests and persons who should have known better, to discredit the operation of the Act, and in so doing the natural consequence has been that they have supported the doctrine of what is known as direct action; that is to say, while pretending to be the most implacable opponents of such a policy, they have really fostered it. It is a matter of very little edification that, because under the present President of the Arbitration Court certain awards have been given at various times which some people thought were too liberal, these paragons of law and order should declare that the whole Court should be wiped aside. But I can assure these gentlemen that when they succeed with their propaganda, and wipe out the Arbitration Court on the ground that its awards are too generous, they will find it supplanted by something which, from their point of view, will be less satisfying to them.

Mr. GREGORY.—They do not argue in that way, but they claim that it imposes a penalty on one section of the community, and not on the other; that is to say, one side is free, and the other is shackled.

Mr. BRENNAN.—I do not know what the honorable member means, unless he means that the effect of arbitration has been to secure more for the men than he thinks his friends ought to pay. In the whole history of the Arbitration Court industrial disputes in relation to activities right throughout the Commonwealth have been dealt with by two or three Judges. It is simply impossible for a Court to function successfully when it is undermanned in this way. The Industrial Peace Bill contemplates setting up tribunals all over Australia.

Mr. GROOM.—This Bill makes provision for the appointment of additional deputies.

Mr. BRENNAN.—I am pleased that it does so, but the amendment is somewhat tardy, and, in any case, I think it should have come before us instead of the Industrial Peace Bill, which will, in effect, supplant arbitration. Why the Government did not content themselves with the creation of the necessary number of Deputy Presidents, as suggested

by those whose business it is to put the Court in motion, I cannot for the life of me understand. I do not wish to make a second-reading speech on this clause, but I shall certainly invite honorable members to vote against it, because it is indefensible and unworkable on the ground that we cannot compel men to work, and if we attempt to do so we shall create an atmosphere of bad feeling which will be quite outside the sphere of conciliation. Compulsion was very unpopular in connexion with another matter not so long ago, and it will not be any more popular in connexion with industrial affairs. I hope the Minister will see fit to reconsider the clause, and that it will not be forced through. At all events, I shall vote against it.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [4.19].—The honorable member's objection to the proposed amendment is on the ground that the provision to which he refers will compel persons to labour. It does not do this; but the provision is reciprocal, applying to employers as well as to employees. If two employers act in combination to unreasonably refuse to give work, either totally or partially, they will be liable to a penalty for a lock-out. The same penalty will apply to employees who, acting in combination, totally or partially refuse to accept work if the refusal is unreasonable.

Mr. CONSIDINE.—Who is to determine whether the refusal is unreasonable?

Mr. GROOM.—That is a question of fact to be proved before the Court. No individual will be compelled under this Bill to work. In that respect the law relating to master and servant remains unaltered. Under the ordinary law a man may give notice, and so terminate his employment. That course is still open to employees.

Mr. CONSIDINE.—What will be the position if men refuse work because it is unreasonable in the circumstances to continue?

Mr. GROOM.—It is only where there is a combination on the part of individuals to refuse to work that this provision will apply. That would be a strike, and the object of the law is to make strikes unlawful.

Mr. CONSIDINE.—If half-a-dozen men refused, for various reasons, to work, their refusal might be declared to be unreasonable.

Mr. GROOM.—They could only be punished after it had been proved that they were acting in combination. The onus of furnishing that proof would be upon the person taking proceedings before the Court. "A combination of persons to refuse work," is the essence of a strike. Organizations are not made liable under this clause for the actions of isolated individuals.

Mr. CONSIDINE.—This clause is taking us back to the conspiracy laws of a hundred years ago.

Mr. GROOM.—No; it is merely designed to carry out the original intention of the present Act, that strikes shall be declared unlawful.

Mr. CONSIDINE.—There is no law in this country, nor is there anything in this clause, to compel an employer to continue his business if he does not wish to do so.

Mr. GROOM.—Nor is there any law which compels an individual to work if he does not desire to do so. There is in the existing Act a section which declares that—

Partial suspension of work by an employer with a view to compel his employees, or to aid another employer in compelling his employees, to accept any term or condition of employment,

is a lock-out, for which a penalty is provided. We are now proposing to extend that definition by declaring that if there is a combination of employers to refuse to give work, and that refusal is unreasonable, then the employers shall be liable to a penalty. These definitions must be reciprocal, and the definition to which exception has just been taken is a reasonable completion of the original intention of the Act to make strikes and locks-out unlawful.

Mr. FENTON (Maribyrnong) [4.23].—The argument advanced by the Minister for Works and Railways (Mr. Groom) might be sound if we had in the Commonwealth as many employers as

there are employees. As it is, half-a-dozen men employed on the one machine in a particular factory might have a very serious grievance, but if, as the result of a consultation, they decided not to work, they might be subjected under this clause to heavy penalties. On the other hand, one man might have 500 or 600 men in his employment, and, without acting in combination with any other employer, he might make the conditions of employment in his factory absolutely intolerable to his men. He would thus inflict hardship on his employees, but since it could not be proved that he was acting in combination with other employers he would not be liable to any penalty. The Government are treading on dangerous ground in proposing to legislate in this way. Many persons have unjustly criticised the principal Act. I hold that the Conciliation and Arbitration Court has done magnificent work, and that those who are always seeking to improve it, in many cases, are only making the position worse than it is. Mr. Justice Powers, by means of a circular addressed to honorable members, has conveyed to us an insight of the great work that the Court is doing. He has been able to show that, within five years more than 500 agreements have been made on the conciliation side of the Court. I agree with the honorable member for Batman (Mr. Brennan) that the provisions of the Industrial Peace Bill, passed last week, might very well have been embodied in this measure. We shall take a dangerous step by providing for the imposition of severe penalties upon a few individuals who because of a serious grievance refuse to work. Instead of moving towards conciliation in the conduct of industry by amending the principal Act in this way, we shall make the position of the workers still more uncomfortable. In these days men refuse to work under uncomfortable conditions, and no one can blame them.

Mr. LAVELLE (Calare) [4.29].—I move—

That paragraph c be left out.

I maintain that the amendment of the principal Act for which paragraph c provides is unnecessary and unreasonable. Its only effect will be to penalise the workers. It is unjust to say that men shall not have the right to refuse to

work under conditions to which they object. It is all very well for the Minister to urge that in refusing work men must be proved to have acted in combination in order to be liable to the penalty for which the Bill provides. We know perfectly well, however—and every honorable member on this side of the House at one time or another has suffered at the hands of employers—that very often employers make the conditions of work intolerable, and that the only redress open to their employees is to knock off. Where they object to the wages or conditions offering, they should have the right to leave if they desire to do so.

Mr. GREGORY.—They will have that right under this Bill.

Mr. LAVELLE.—I do not want the honorable member to dictate to me as to what is and what is not in the Bill. On the motion for the second reading he spoke of an award relating to the pastoral industry in Western Australia, which, he said, applied to the big sheds and not to the small ones, and when, in order to put him on the right track, I inquired whether he was referring to an agreement, he answered that he was speaking of an award. He thus proved that he does not know what is going on in his own State, since there is no award, and never has been one, applying to the pastoral industry in Western Australia. Why, then, should he dictate to those who are familiar with working conditions? Listening to some honorable members, one would imagine that the workers stopped work for the mere fun of the thing. One would imagine that they regarded a strike as something in the nature of a pastime. As a representative of the workers—as one who has had to work all his life, who has been associated with strikes, and who, having regard to the social conditions under which we live, will probably be associated with strikes in the future—I do not hesitate to say that no one realizes more than do the workers themselves the hardships imposed upon them and their families when they are forced to go on strike. There are times, however, when it is absolutely necessary that they should strike, since by no other means can they obtain the redress of their grievances. I, therefore, submit this amendment, believing that the clause as it stands would place an intolerable

burden on the workers, while allowing the employers practically to go free.

Mr. MATHEWS (Melbourne Ports) [4.33].—I am opposed to the clause as it stands, and particularly to the penal provisions of the Bill. The penal sections of such a Bill as this never apply equally to employers and employees. The two classes for this purpose cannot be placed in the same category. An employer has means of evading a penalty which are not open to an employee. Arbitration to-day is compulsory. Whether he likes it or not, a worker must go to the Court, and is subject to the penal provisions of the Arbitration law. A fine of £1,000 involves no hardship in the case of a large corporation, but three months in gaol for a working man means much injury and loss to his wife and family.

Mr. HILL.—Would the honorable member agree to the omission of paragraph *b* as well as paragraph *c*? What is sauce for the goose is sauce for the gander.

Mr. BRENNAN.—I would agree to that.

Mr. MATHEWS.—If we are to have penal provisions, they should apply to employers and to shareholders of large corporations, as well as to members of unions, just as they are applicable to individuals who go before the Court.

I have received the following letter from the Secretary of the Federal Carters and Drivers Industrial Union of Australasia, dated 21st August:—

Enclosed please find copies of correspondence between our union, the Employers' Federation and Colonial Sugar Company.

It deals with the case of our union, who had an agreement with the Employers' Federation, which stated that our members would receive an increase of 8s. per week on the Federal rates, but when a member of the Federation, and a wealthy one at that, is approached to pay the same, they point blank refuse to pay it to some of their employers.

The Federation wrote to the Victorian Employers Federation, and this was the reply received—

Referring to your letter of the 28th ult., and your phone conversation with me re the improvers employed by the Colonial Sugar Refining Company Limited, I have now to advise that I wrote the company recently re the matter, and also furnished them with copy of your letter under reference.

I have received from the company a communication dated 6th inst., in response to my letter, which sets out their position, and of which I enclose a copy herewith.

The following is the letter sent by the Colonial Sugar Refining Company to the Employers Federation on 6th August:—

I duly received your letter of the 3rd inst., and in reply, would say that we are in a different position from firms who are solely engaged in the carting industry. The rates of pay of youths and improvers under other awards which affect our business are much below what the Federal Court prescribed under the Carters award, and to further raise the pay of the three carters' improvers at Yarraville would be sure to lead to dissatisfaction in other departments. The youths in question are quite free to leave our employ if they are not content with their present rates. Although we have in the past paid them according to the award of the Federal Court, we have some doubt whether they really come under this, because, unlike the recognised improvers in that industry who go on to the roads, these lads merely lead the horses which draw trolleys along the tram line either from the ship's side or from the stacks of sugar.

Here we have a large corporation which refuses to work under an agreement. There is an award which the corporation is carrying out, but there is also an agreement between the Carters and Drivers Association and the employers, and with that agreement the corporation will not comply. As I say, it would not hurt a corporation like this to pay even £1,000 rather than to submit to an agreement to which it had an objection.

Sir ROBERT BEST.—Is the Colonial Sugar Refining Company a party to the agreement?

Mr. MATHEWS.—Of course; at any rate, the letter of the secretary says so. The Carters and Drivers Association know their business as well as any other body of the kind, and they have made this charge against the Colonial Sugar Refining Company per medium of the Employers Federation. All I desire to show is that even the largest penalties will not deter a wealthy company from refusing to comply with any ruling of the Court or agreement.

Sir ROBERT BEST.—The company is conforming to an award of the Court.

Mr. MATHEWS.—But the honorable member knows there are hundreds more agreements than there are awards.

Mr. GREGORY.—The agreements are registered and become awards.

Mr. MATHEWS.—No; they are altogether different from awards.

Sir ROBERT BEST.—Is this a registered agreement?

Mr. MATHEWS.—The honorable member will admit that the Employers Federation recognised this union, and dealt with its case.

Sir ROBERT BEST.—There has not been too much success in compelling unions to comply with awards.

Mr. MATHEWS.—That is not peculiar to Australia. In to-day's newspapers we have strong evidence that our industrial troubles are a mere "flea-bite" as compared with the troubles in Britain; so great is the difference that no comparison can be drawn. That shows that there has been an effort or desire on the part of the unions in Australia to comply with awards and agreements; and yet here we find a company refusing to do so, and saying that if the employees affected are not satisfied, they can leave their employment. That, however, is always said by the "bosses"; and, therefore, I object to all penalties because they cannot be enforced on large and wealthy corporations, whereas they can be enforced in the case of individual workers with disastrous results.

Mr. BELL (Darwin) [4.42].—It has been said by honorable members opposite, by way of interjection, that they would agree to strike out both sub-clause *b* and sub-clause *c*. If there were an amendment in that direction I would support it, and I believe a majority could be found here in favour of doing away with all penalties. I can see no use for penalties in an Act of this kind, because it is only in rare instances they can be enforced, either in the case of the employers or employed, and I agree with what the honorable member for Melbourne Ports (Mr. Mathews) as to their lack of efficacy in the case of wealthy industrial companies. I cannot support an amendment directed to making penalties effective in the case of the employer, and not in the case of the employed.

Mr. GREGORY (Dampier) [4.44].—The mere striking out of sub-clauses *b* and *c* will not do away with penalties; these cannot be abolished without an amendment of the original Act. Such an amendment would receive my support,

because I do not believe in penalties in a measure of this kind.

Mr. BRENNAN.—This clause extends the area of the penalties.

Mr. GREGORY.—Yes, and makes the law clearer.

Mr. BRENNAN.—It extends the area of the penalties, and applies them to a different kind of offence altogether.

Mr. GREGORY.—If we are to have penalties at all, I regard the proposal of the Government as a good one. Personally, if I had my way, I should get rid of the compulsory clauses of this Bill; and the amendment now before us only shows what efforts are made here merely for the purpose of protecting one section of the community. I prefer the Canadian system, under which the employers and the employed are brought together in conference, and then, if the men desire to go out on strike, they may do so.

Mr. CONSIDINE.—But the employers are given a fortnight's notice, and thus have an advantage.

Mr. GREGORY.—A fortnight's notice is a good thing under the circumstances, because it gives time for a ballot. I hope that the Committee will insist on the proposals by the Government, or do away with all penalties. If I did not feel that I ought to do my best for the employee as well as for the employer, I should not be fit to be here. We ought to see that justice is done to every section of the community, and not introduce legislation merely for the benefit of one class.

Mr. CONSIDINE.—Why try to be humorous?

Mr. GREGORY.—Honorable members may laugh, but in every constituency throughout Australia the wage earners comprise a large majority of the electors, and it is merely because the level-headed amongst them realize that our policy is the best for the country that they give their support to myself and others with similar views.

Sir ROBERT BEST (Kooyong) [4.50].—To persist in the amendment would be to strike a blow at the compulsory clauses of the Arbitration Act. Many of us are not completely enamoured of compulsion. I am anxious to encourage in every way the spirit of conciliation, and I was delighted with the Industrial Peace Bill, because it embodied that principle. If honorable

members desire to attack the compulsory clauses of the Act, let us deal with them directly, and not attempt to maim them as this amendment proposes. All that the Bill proposes to do is to complete the principles which have been already fundamentally established by the Act itself. So long as we have compulsion we must, necessarily, have penalties of some description for the purpose of aiding the enforcement of such compulsion. Already there is a penalty of £1,000 for strikes and lockouts. The Bill creates an additional offence, and the existing penalty is only made more comprehensive and complete. Therefore, it is essential that we should vote for paragraphs *b* and *c*; the mere deletion of them will not rid the Act of penalties. If honorable members wish to abolish the penalties already provided for by the Act, there is another way of attaining their object.

Mr. CONSIDINE (Barrier) [4.53].—I am not very much concerned as to whether or not the amendment is carried, because even if the penalty for strikes and lockouts were made imprisonment for life, it would be just as logical as the rest of the Act. Honorable members on this side are naturally averse from penalizing strikers, but we know that if any industrial organization, such as the Miners Federation or the Seamen's Union, is powerful enough to make their say in regard to working conditions effective, even the strongest of Governments listen to their demands; and whether or not penalties are provided they will not be enforced. If they are enforced in the form of either fines or imprisonment, they only insure the success of the strike. If strikers are sent to gaol, which is the logical consequence of this legislation, the success of the strike is assured, because mines and ships cannot be worked if those engaged in the industries are imprisoned. The whole of this industrial legislation is absurd, so far as the prevention of strikes is concerned; and, as for the attitude of the employers, only the other day Mr. Emery stated in Sydney, on behalf of the Broken Hill mining companies, that if Judge Edmunds awarded the miners a six-hour day, or abolished contract-mining, the companies would not guarantee to re-open the mines. They, like the miners, had

already agreed to abide by the decision of the Tribunal, but before the Judge had given his decision they intimated to him that if such decision was in favour of the men on those two points, the companies would not guarantee to re-open the mines.

Mr. BELL.—They meant that they could not guarantee to run the mines at a loss.

Mr. CONSIDINE.—How does the honorable member know what Mr. Emery meant? He, like myself, can only judge by the press report. Mr. Emery may have meant anything. He may not have been authorized to speak for the companies, but according to the press report he spoke in their behalf. His statement represented very well the attitude of employers generally. Whenever an award goes against them they cannot be compelled by the present Government, or indeed by any other Government under the existing social order, to continue their business when they say they will be conducting it at a loss. But if, on the other hand, a few workmen do not turn up to work, they are said to be on strike, and the law says that they shall be penalized. When the marine engineers were on strike, the War Precautions Act, which was designed to "save Australia from Germany," was employed for the purpose of placing an embargo on the union finances. The principle of this Bill is in keeping with the same class of legislation in every country in the world where Governments are protecting the interests of the employers. In America an anti-Trust law was introduced, and "a corporation in restraint of trade," was interpreted in the Courts to be a labour union.

Mr. POYNTON.—That was done with the Mayor of Sydney, too.

Mr. CONSIDINE.—The Minister for Home and Territories has a very logical mind if he can see a connexion between the Mayor of Sydney and this Bill. No wonder he has a seat on the Ministerial bench.

Mr. GROOM.—Is the honorable member's objection to this Bill that it means compulsory labour?

Mr. CONSIDINE.—My objection is not to compulsory labour, but to the fact that the Minister makes compulsory

labour apply only to his opponents and not to his friends.

Mr. GROOM.—Both sides are our friends.

Mr. CONSIDINE.—When it suits the honorable member. He knows very well that in this House he is a representative of organized capital, and so are the honorable members who support him.

Mr. GROOM.—The honorable member can only speak for the Barrier.

Mr. CONSIDINE.—I do not speak for the mining interests of the Barrier; I speak only for the workers; and in this Parliament, at any rate, the Minister cannot twit me, as he did on a previous occasion, with representing a minority of the electors.

Mr. GREGORY.—We look forward with hope.

Mr. CONSIDINE.—“Hope springs eternal in the human breast,” and that is the only comfort the honorable member has. This measure, like the Industrial Peace Bill—as some humourist entitled the measure which recently passed this Chamber—is based on an absolute fallacy, namely, that employer and employee have common interests. There is no such identity of interest. There can be no cure for the mutual antagonism of capital and labour under the existing economic order. Therefore, it is absurd to talk about penalizing employers for lockouts and employees for striking. How many times have employers been prosecuted for lock-outs?

Mr. GREGORY.—Rather heavy penalties were imposed on employers in New South Wales a couple of years ago.

Mr. CONSIDINE.—The honorable member will have some difficulty in digging up such an instance, and, in any case, it would be interesting to learn the circumstances under which the penalties were imposed. Perhaps they were merely a resort to the American method of putting a rival out of business. We cannot have industrial peace under the existing order. The clashing of interests is so great, the objects of the employing section are so diametrically opposed to the interests of the workers, that the latter are compelled to strike; whilst the employer, if he wishes to compete with his rivals, must endeavour to force down the standard of living. The interest of the working class is in raising the standard of living and in getting a greater share

of the wealth produced, in the form of wages or reduction of hours, or better working conditions. Such an antagonism must make itself felt in the industrial life of the community. Some clauses of this Bill remind me of early Imperial legislation against trade unionism. But the transportation of the Dorsetshire labourers to Tasmania did not stop strikes.

Mr. BELL.—They are still striking in Tasmania.

Mr. CONSIDINE.—Of course, they are. Not even transportation, or deportation, which is more popular with honorable members opposite, will prevent strikes.

Mr. BELL.—Capital punishment does not prevent murder; therefore, why punish the murderer?

Mr. CONSIDINE.—If the honorable member is placing the murderer and the striker on the same footing, and he metes out capital punishment to the striker, I do not know that his own position will be any better. He may have to go to work, instead of employing others to work for him.

Mr. BELL.—That is why I oppose penalties.

Mr. CONSIDINE.—The honorable member would rather have strikes than go to work himself. I have been on strike, and I am on strike permanently now, I hope—at any rate, so far as one class of work is concerned. The honorable member's interjection confirms the point that I have been trying to make, which is, that the imposition of penalties will not stop strikes. It is not from individual cussedness that strikes occur; men are forced by their conditions to go on strike. In England the Statute of Labourers was passed, centuries ago, to fix wages, and to direct economic evolution, and very drastic penalties were imposed under it. But that did not succeed in preventing strikes, and no legislation will succeed in doing so. It is not Acts of Parliament that will regulate economic conditions, but economic conditions will change your Acts of Parliament, and your Parliaments, too. You can paste Acts into the statute-book, but if the workers have intelligence and organization, they will laugh at your attempts to force them to live under conditions in regard to which they are not consulted. You may talk about political democracy, but it has to-day no effect

on the life of the country; it is industrial democracy that counts. It is from the factories, the workshops, the mines, and the ships that legislation will come in the future.

Question—That paragraph *c*, proposed to be omitted, stand part of the clause—put. The Committee divided.

Ayes .. .	35
Noes .. .	19
Majority .. .	16

AYES.

Bamford, F. W.	Hill, W. C.
Bayley, J. G.	Hughes, W. M.
Bell, G. J.	Lamond, Hector
Best, Sir Robert	Lister, J. H.
Blundell, R. P.	Livingston, J.
Bruce, S. M.	Mackay, G. H.
Cameron, D. C.	Marks, W. M.
Chapman, Austin	Marr, C. W. C.
Cook, Sir Joseph	McWilliams, W. J.
Cook, Robert	Poynton, A.
Corser, E. B. C.	Prowse, J. H.
Foster, Richard	Rodgers, A. S.
Fowler, J. M.	Ryrie, Sir Granville
Francis, F. H.	Smith, Laird
Greene, W. M.	Wise, G. H.
Gregory, H.	Tellers:
Groom, L. E.	Burchell, R. J.
Hay, A.	Fleming, W. M.

NOES.

Brennan, F.	Mathews, J.
Charlton, M.	McDonald, C.
Considine, M. P.	McGrath, D. C.
Cunningham, L. L.	Moloney, Parker
Gabb, J. M.	Ryan, T. J.
Lavelle, T. J.	Watkins, D.
Lazzarini, H. P.	West, J. E.
Mahony, W. G.	Tellers:
Makin, N. J. O.	Fenton, J. E.
Maloney, Dr.	Riley, E.

PAIRS.

Watt, W. A.	Anstey, F.
Bowden, E. K.	Blakeley, A.
Jackson, D. S.	Nicholls, S. R.
Story, W. H.	Catts, J. H.
Gibson, W. G.	Mahon, H.
Higgs, W. G.	Page, James
Maxwell, G. A.	Tudor, F. G.

Question so resolved in the affirmative.

Amendment negatived.

Question—That the clause, as amended, be agreed to—put. The Committee divided.

Ayes .. .	35
Noes .. .	19
Majority .. .	16

AYES.

Bamford, F. W.	Hill, W. C.
Bayley, J. G.	Hughes, W. M.
Bell, G. J.	Lamond, Hector
Best, Sir Robert	Lister, J. H.
Blundell, R. P.	Livingston, J.
Bruce, S. M.	Mackay, G. H.
Cameron, D. C.	Marks, W. M.
Chapman, Austin	Marr, C. W. C.
Cook, Sir Joseph	McWilliams, W. J.
Cook, Robert	Poynton, A.
Corser, E. B. C.	Prowse, J. H.
Foster, Richard	Rodgers, A. S.
Fowler, J. M.	Ryrie, Sir Granville
Francis, F. H.	Smith, Laird
Greene, W. M.	Wise, G. H.
Gregory, H.	Tellers:
Groom, L. E.	Burchell, R. J.
Hay, A.	Fleming, W. M.

NOES.

Brennan, F.	Mathews, J.
Charlton, M.	McDonald, C.
Considine, M. P.	McGrath, D. C.
Cunningham, L. L.	Moloney, Parker
Gabb, J. M.	Ryan, T. J.
Lavelle, T. J.	Watkins, D.
Lazzarini, H. P.	West, J. E.
Mahony, W. G.	Tellers:
Makin, N. J. O.	Fenton, J. E.
Maloney, Dr.	Riley, E.

PAIRS.

Watt, W. A.	Anstey, F.
Bowden, E. K.	Blakeley, A.
Jackson, D. S.	Nicholls, S. R.
Story, W. H.	Catts, J. H.
Gibson, W. G.	Mahon, H.
Higgs, W. G.	Page, James
Maxwell, G. A.	Tudor, F. G.

Question so resolved in the affirmative.

Clause, as amended, agreed to.

Clause 3—

After section 6 of the principal Act, the following section is inserted:—

"6A. No person or organization bound by an award of the Court, or entitled to the benefit of an award of the Court, shall do anything in the nature of a lockout or strike, or continue any lockout or strike.

Penalty: £1,000."

Mr. CHARLTON (Hunter) [5.20].—I move—

That the following words be inserted in the proposed new section, after the word "strike" line 7:—"Provided that if a person desires to leave his work for private or other reasons he shall be exempt from the provisions of this section."

The unions are in doubt as to the effect of the proposed new section. They think it may have a dragnet effect, and be the means of imposing a penalty on an organization through the action of a few individuals. In any case, I think

we ought to state perfectly clearly that the provision will not apply to individuals who have good reasons for absenting themselves from work.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [5.24].—I ask the honorable member not to press his amendment because it may have quite a contrary effect to what he intends. The proposed new section does not embrace the individuals to whom he refers, but is aimed at persons or organizations bound by an award of the Court, or entitled to the benefit of an award of the Court, and is for the purpose of preventing them from doing anything in the nature of a lockout or strike.

Mr. CHARLTON.—An individual may refuse to continue at work under an award.

Mr. GROOM.—That would not be a strike, and the individual would not be liable. It is only those who are bound by an award and do something in the nature of a strike who are liable to the penalty in the proposed new section, and a strike is the total or partial cessation of work by employees acting in combination as a means of enforcing compliance with demands made by them or other employees on employers, and the total or partial refusal of employees acting in combination to accept work if the refusal is unreasonable. An individual may give notice to terminate his work, but such a step on his part is not a strike.

Mr. CONSIDINE.—It is unfortunate if a lot of his mates are struck with the same idea at the same time.

Mr. GROOM.—Only those persons who act in combination to produce such a result are liable.

Mr. CONSIDINE.—If a factory is obliged to cease work because none of the employees turn up to work, would not their action be construed as a strike?

Mr. GROOM.—It must be proved that the action taken is in combination, and further, that the refusal to work is unreasonable.

Mr. RYAN.—How much further does the new section go as compared with the existing provision?

Mr. GROOM.—The existing provision, that is, section 6, relates to persons or organizations which do anything in the

nature of a strike on account of any industrial dispute before an award is made. The general intention of the Act was to secure industrial peace, and do away with the old methods of industrial warfare and substitute compulsory arbitration in their place. It was made an offence for any person on account of an industrial dispute to do anything in the nature of a lockout or strike. But here we have got beyond the actual dispute, and are dealing with cases in which awards have been given.

Mr. RYAN.—Cannot there be another dispute while an award is in force?

Mr. GROOM.—There is nothing to prevent a dispute occurring after an award has been given, but the proposed new section 6A applies only to cases where an award is in existence which both parties are bound to observe, and that section imposes a penalty on the employer who does anything in the nature of a lockout, or on the employees who do anything in the nature of a strike, during the currency of such an award. The idea is to observe the sanctity of the award, and to see that both parties comply with it. The trouble that attaches to the honorable member's amendment is that, if inserted, it may cast doubt upon other sections of the Act. It is not usual to include in an Act any matter that has no application to it. The honorable member's amendment would apply to a provision which embraces only those workmen who act in combination, a proviso having application only to individuals.

Mr. CHARLTON (Hunter) [5.30].—I am not quite clear that the proposed new section will not apply to any individual. The Minister contends that no individuals can do anything in the nature of a strike, but half-a-dozen men may cease work for some good purpose and their action may be deemed to be in the nature of a strike. The majority of the organization may continue working.

Mr. GROOM.—Those who continue working are not liable. It is only individuals who, acting in combination, commit the offence that are liable.

Mr. CHARLTON.—But it may be held that the half-dozen men who, acting in combination, cease work for some good

and sufficient reason should have continued to work. Some spot in a mine may have got wet overnight, and for this reason they may be anxious to cease work. On the other hand, the manager of the mine may hold that it is the duty of the men to remain at the spot until he took means to remove the cause of the trouble. If the men do not stay there as directed, they may be held to be doing something in the nature of a strike.

Mr. GROOM.—Not if their conduct is reasonable.

Mr. CHARLTON.—Who is to decide whether their conduct is reasonable or not?

Mr. GROOM.—The Court will decide that issue.

Mr. CHARLTON.—From the very inception of arbitration in this country, alterations have been made in mines while awards have been in existence and men have refused to accept them, but the Court has held that the management are perfectly entitled to make whatever alterations they feel disposed to make, and that it is the duty of the men to continue to work and appeal to the Court against the action of the management. The whole position is very difficult, and I am anxious to have this proviso added to the proposed new section, in order to make it quite clear that individuals may leave their work for private or other reasons, and be exempt from the penalty attaching to any persons who, during the currency of an award, do anything in the nature of a strike. I do not know whether the Minister is right in saying that the words of my amendment are superfluous. I think the time has arrived when we should express in clear words the intention of the Legislature. The Minister is probably correct when he says that there is ample provision to meet the contingency which I have put forward, but, on the other hand, those who take advantage of the Arbitration Court complain that the new section, to which they raise no objection in any other respect, may have the effect of rendering organizations liable for the action of a few individuals.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [5.34].—Last week the honorable member was good

enough to indicate the nature of the amendment he proposed to make to the new section, but I told him at the time that I thought that the words he proposed to add were quite unnecessary. However, I promised to refer the matter to the Parliamentary Draftsman, and I have done so, and he is quite satisfied that the honorable member's fears are unfounded. The difficulty of including the words in one section is that it may create doubt in regard to other sections. If we were to insert such a proviso in this proposed new section and fail to insert it in other sections of the principal Act in which the same words occur, it might give rise to doubt on the part of the Court in interpreting those provisions. I promise the Deputy Leader of the Opposition, however, that I will refer the matter to Sir Robert Garran, and that if he feels that there is any cause for anxiety I will have the matter made perfectly clear. At the present moment, as Parliamentary Draftsman, he is satisfied that there is no cause for the honorable member's fears.

Mr. GABB (Angas) [5.36].—I shall vote against this clause. Having had some experience of the working of organizations, I know that occasions arise when some members of an organization will be in favour of a certain course of which the bulk of the members disapprove. Some of the more hot-headed members of an organization might at a meeting carry a resolution which, as shown later, was not in keeping with the wishes of the majority of the organization. In the event of work being stopped as the result of that resolution, the whole organization affected would be liable to the heavy penalty for which the clause provides. In the circumstances, I cannot vote for the clause.

Amendment, by leave, withdrawn.

Mr. RYAN (West Sydney) [5.37].—Under section 6 of the original Act, no prosecution can be instituted for any breach of the provisions of that section without the leave of the President of the Court. As we have in this clause an extension of the right to prosecute, I should like the Minister to state why a similar limitation is not imposed. With the object of ascertaining whether the Committee will be prepared to attach the same

safeguard to the proposed new section, I move—

That the following words be added:—"No proceeding for any contravention of this section shall be instituted without the leave of the President."

Mr. GROOM (Darling Downs—Minister for Works and Railways) [5.39].—I ask the honorable member not to press his amendment. There is a reason for not inserting in this clause the words which appear in section 6 of the original Act. That section provides that—

No person or organization shall, on account of any industrial dispute, do anything in the nature of a lock-out.

A prosecution for a contravention of that provision could be taken before an ordinary Court—it would not go before a Justice of the High Court—and, as the honorable member knows, what does and does not constitute an industrial dispute is a complicated question, so that it is desirable that the leave of the President should be necessary to the institution of such proceedings. In this instance, however, an award is known to be in existence, and there is no necessity to place any further impediment in the way of a prosecution by making it necessary to obtain the leave of the President of the Court to institute proceedings. It would mean delay, and, moreover, the nature of the offence is different from that with which section 6 of the principal Act deals. This clause applies to both employers and employees.

Mr. RYAN.—Who would hear a case under this clause?

Mr. GROOM.—A police, stipendiary, or special magistrate. As the honorable member is aware, it was held in Alexander's case that the Conciliation and Arbitration Court was not a Court within the meaning of the Constitution, and, in order to secure the enforcement of penalties, it therefore became necessary to amend the Act in certain directions by making provision for prosecutions before magistrates.

Mr. RYAN (West Sydney) [5.41].—I do not agree with the Minister (Mr. Groom) as to the reason for inserting in section 6 of the Act the words "no proceeding for any contravention of this section shall be instituted without the leave of the President."

Mr. GROOM.—The reason I gave was in regard to its retention, and not to its original insertion in the Act.

Mr. RYAN.—I am asking why the same words have not been inserted in this clause. They should be inserted for the same reason that they were inserted in section 6 of the principal Act. I conceive that they were introduced into that section to enable the President to judge of the circumstances before allowing a prosecution to take place. The circumstances might be such that it would not be desirable to give leave to institute proceedings. I, therefore, think that the same provision should be made in the proposed new section 6A. At present the Conciliation and Arbitration Court has no authority to interfere, for example, with the very arbitrary use of powers under the War Precautions Act. The exercise of those powers in an arbitrary manner is so exasperating that it sometimes leads to men ceasing work. In such circumstances perhaps the President of the Court or Deputy President would not think fit to give leave to prosecute, although they would not have any specific power to cancel the regulations or to make an order contrary to the provisions of the Act. If we make it necessary to obtain the leave of the Court before a prosecution can be instituted under this proposed new section, which involves such a heavy penalty as a fine of £1,000, we leave in the power of the Court a discretion which it is very necessary that the Court should retain, with a view to protecting workmen against prosecutions that would be unfair. For that reason, I insist upon my amendment.

Question—That the words proposed to be added (Mr. RYAN's amendment) be so added—put. The Committee divided.

Ayes	..	..	..	18
Noes	..	..	..	31
Majority	..	..	..	13

AYES.

Blundell, R. P.	Maloney, Dr.
Brennan, F.	McDonald, C.
Charlton, M.	Moloney, Parker
Considine, M. P.	Ryan, T. J.
Cunningham, L. L.	Watkins, D.
Gabb, J. M.	West, J. E.
Lavelle, T. J.	
Lazzarini, H. P.	Tellers:
Mahony, W. G.	Fenton, J. E.
Makin, N. J. O.	Riley, E.

NOES.

Bamford, F. W.
 Bayley, J. G.
 Bell, G. J.
 Bruce, S. M.
 Cameron, D. C.
 Chapman, Austin
 Cook, Robert
 Corser, E. B. C.
 Foster, Richard
 Fowler, J. M.
 Francis, F. H.
 Greene, W. M.
 Gregory, H.
 Groom, L. E.
 Hay, A.
 Hill, W. C.

PAIRS.

McGrath, D. C.
 Anstey, F.
 Blakeley, A.
 Nicholls, S. R.
 Catts, J. H.
 Mahon, H.
 Page, James
 Tudor, F. G.

Cook, Sir Joseph
 Watt, W. A.
 Bowden, E. K.
 Jackson, D. S.
 Story, W. H.
 Gibson, W. G.
 Best, Sir Robert
 Maxwell, G. A.

PAIRS.

Hughes, W. M.
 Lamond, Hector
 Lister, J. H.
 Livingston, J.
 Mackay, G. H.
 Marks, W. M.
 Marr, C. W. C.
 Poynton, A.
 Prowse, J. H.
 Rodgers, A. S.
 Ryrie, Sir Granville
 Smith, Laird
 Wise, G. H.
 Tellers:
 Burchell, R. J.
 Fleming, W. M.

Watt, W. A.
 Bowden, E. K.
 Jackson, D. S.
 Story, W. H.
 Gibson, W. G.
 Best, Sir Robert
 Maxwell, G. A.
 Anstey, F.
 Blakeley, A.
 Nicholls, S. R.
 Catts, J. H.
 Mahon, H.
 Page, James
 Tudor, F. G.

Question so resolved in the affirmative.

Clause agreed to.

Clause 4—

Section nine of the principal Act is amended by inserting in sub-section (1), after paragraph (c), the words “; or,

(d) being a member of an organization which is seeking better conditions, is dissatisfied with his conditions.”

Section proposed to be amended—

An employer shall not dismiss an employee, or injure him in his employment, or alter his position to his prejudice, by reason of the circumstances that the employee—

Mr. FENTON (Maribyrnong) [5.57].

I move—

That after the word “amended,” the following words be inserted, “by inserting after the word ‘dismiss’, the words, ‘or threaten to dismiss and’”

These words, I believe, have been suggested by arbitration authorities. Quite a number of cases have come under the notice of some of the unions, of employers “holding the whip” over employees by threatening to dismiss them for doing work for their unions, such as giving evidence, taking part in arbitration proceedings, and generally assuming a fighting attitude on behalf of their fellows. For an employer who dismisses an employee on such grounds there is a penalty, but there is no penalty for a threat to dismiss.

Mr. CONSIDINE.—The penalty under the principal Act is useless, anyhow.

Mr. FENTON.—That may be, but a request has been made to me by unionists to have these words inserted.

Dr. MALONEY (Melbourne) [6.0].—

I have pleasure in supporting the amendment, in the hope that the Government will accept it. Over a score of years ago, in the State of Victoria, there was a committee appointed, consisting of the Rev. A. R. Edgar, Mrs. Muir, Mr. Samuel Mauger, Mr. Stephen Barker, and myself, to inquire into the conditions of the

NOES.

Brennan, F.
 Charlton, M.
 Considine, M. P.
 Cunningham, L. L.
 Gabb, J. M.
 Lavelle, T. J.
 Lazzarini, H. P.
 Mahony, W. G.
 Makin, N. J. O.
 Maloney, Dr.

McDonald, C.
 McGrath, D. C.
 Moloney, Parker
 Ryan, T. J.
 Watkins, D.
 West, J. E.
 Tellers:
 Poynton, J. E.
 Riley, E.

workers in this State. We were empowered to take evidence *in camera*, so as to prevent employers, including those of Flinders-lane, dismissing their employees, and following them with a boycott. If honorable members care to look at the report of that committee they will find that, at the Government expense, the families of some employees had to be sent from Melbourne, not only to Ballarat, Bendigo, Castlemaine, and Geelong, but as far as to Sydney, in order to avoid the boycott which followed men who had given evidence.

In these days, we wish no man or woman to be penalized for giving such evidence; and that, I take it, is the object of the honorable member for Maribyrnong (Mr. Fenton). Mr. Harrison Ord, in connexion with that committee, made a report, and, although he was not a Labour man, but a Liberal, to whom I was keenly opposed politically, he showed the serious charges that lay against manufacturers and certain firms of Flinders-lane. Looking back to the horrors of that time, I can give one or two little instances which may induce honorable members opposite to bring some pressure to bear on the Minister, with a view to the adoption of the amendment now proposed. At the back of the Homœopathic Hospital, St. Kilda-road, there was a factory, below the floors of which, in the absence of any underground drainage, there was some 14 inches of dirty, filthy, slimy water, over which the employees had to work. We took a medical man down to that factory, and we found not one employee, man, woman, or young person, but was unhealthy. Another instance was afforded by a factory opposite the Melbourne Hospital. This factory had a door into Lonsdale-street, but that door the girls employed were not permitted to use. At the back of the factory there were six hovels, three occupied by Chinamen, and three by our "unfortunate" sisters, and every young girl of the factory had to enter by that yard. Those conditions were abolished as a result of the inquiry then made. The employees of this or any other country owe nothing to the great mass of the employers for the reduction of hours of labour, or other improvements in their conditions. Individually, there have been right and good men amongst the em-

ployers; but it has been only by the efforts of the workers themselves, assisted by good men in public life of all parties, such as Lord Shaftesbury, that conditions have been improved.

Mr. HECTOR LAMOND (Illawarra) [6.5].—I hope the Minister in charge of the Bill will see his way to accept the amendment. A threat to dismiss is a more effective weapon in the hands of an employer than dismissal itself. And whilst our legislation provides that the employers shall not dismiss a man because of various things set out in the Act, the employer is yet able to attain the same end by threatening to do what the law forbids him to do. We should take this opportunity of making it clear that an employer shall not by any threat of dismissal penalize a man for having complied with the laws made by Parliament.

Mr. RILEY (South Sydney) [6.6].—I support the amendment. I have had experience of Arbitration Court proceedings, and I know that employers on many occasions have threatened that any one complaining to an officer of a union about his conditions of employment, or giving evidence before the Court, would be no longer employed. The result has been that people in many industries have been prevented from asserting themselves. If the Government are anxious to make the Arbitration Act more effective, they should give every protection to persons who give evidence before the Court or lodge complaints against unfair conditions. The employer should be liable to a penalty for threatening to dismiss just as he is for actual dismissal.

Mr. BELL.—Is not the threat ineffective when the employee knows that it cannot be carried out?

Mr. RILEY.—No.

Mr. CONSIDINE.—The employer can dismiss the man in any case.

Mr. RILEY.—The employer can always evade the Act by saying that an employee does not suit him, and dismissing him on that ground. I think the amendment should be agreed to.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.7].—The amendment suggests that an employer should be liable for a penalty if he threatens to dismiss an employee on the ground of being a member of an organization or for having appeared as a witness and given evidence in proceedings under the Arbitration Act. In effect, the

amendment suggests that the employer shall not intimidate his employee. The object of the Act is to encourage industrial organization, and workers are invited to join organizations. If an employer threatens a man with dismissal because of his membership of an organization, he commits an offence against the general policy of the Act. He similarly offends against the spirit of the Act if, by a threat of dismissal, he intimidates a man from giving evidence which would enable the Court to do justice between the parties. I am inclined to agree with the amendment, but as I have not had time to give it full consideration, I will agree to postpone the clause with a view to having the amendment put in order by the draftsman.

Mr. BRENNAN (Batman) [6.12].—I think that paragraph *d* will improve section 9, but it makes a rather novel departure from the language of the section, in that it refers to a "member of an organization," but does not add the words "or association which has applied to be registered as an organization." I think those words should be inserted. I ask the Minister to also agree to omit the words "which is seeking better industrial conditions." Whilst an organization may be desiring better conditions every day, I do not know that it is actually seeking them every day. Those words seem to be either injurious or superfluous.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.15].—The words "which is seeking better industrial conditions" are inserted on account of a case which arose in Tasmania in connexion with a member of an organization who was dismissed because he expressed dissatisfaction with his conditions. The director swore that he had dismissed the employee because the latter was dissatisfied, and the magistrate accepted that testimony. An employer must be entitled to dismiss an employee if the latter is dissatisfied with the conditions under which he is working. The employer ought not to be compelled to continue to employ a discontented man. At the same time the object of the Act was to encourage the formation of organizations, with a view to bettering the conditions of the workers, and it is necessary to prevent employers from dismissing men who are members of such organizations seeking to improve their con-

ditions, on the ground that they are dissatisfied with their conditions. In regard to the omission of the words "or an association which has applied to be registered as an organization," it is impossible for the employer to know whether an association is seeking to be registered.

Mr. BRENNAN.—Do not the other penalties apply to a member of an association as well as to a member of an organization?

Mr. GROOM.—They only apply where an employer is trying to prevent the formation of an association. It would be unfair to dismiss a member of an organization which was functioning under the Act.

Mr. CONSIDINE.—If a member of an organization is dissatisfied with his conditions, but the organization is satisfied, the employer will still have the right to dismiss?

Mr. GROOM.—Yes. If an organization is thoroughly satisfied with the conditions but one man is grumbling all day, an employer has the right to say, "If that is your state of mind you had better go."

Mr. CONSIDINE.—Then this Bill only confers illusory benefits. It transforms an organization into a protective agency for the employer.

Mr. GROOM.—Surely the organization represents the workers engaged in the industry.

Mr. CONSIDINE.—Suppose there is an agreement with the employers with which the organization is satisfied. A member of the organization is dissatisfied and desires to move the organization to seek better conditions. The employer says, "If you are not satisfied with your job, get out."

Mr. GROOM.—The alternative is to compel an employer to keep on a dissatisfied man, whether he desires him or not. We must not have compulsion of that sort; there must be mutuality and reasonable protection. If an organization is dissatisfied with an award it will be held to be seeking better industrial conditions. Under these circumstances, an employer could not dismiss an employee because the latter said that he was dissatisfied with his conditions. The clause gives reasonable and proper protection to the employee; and I ask the honorable member not to press an amendment which, to my view, is alien to the purposes of the section.

Mr. CONSIDINE (Barrier) [6.21].—The Minister seems to be giving a concession, but actually he is giving nothing at all away. In the Tasmanian case that he mentioned, a man was dismissed because he was dissatisfied with his working conditions; but no change ever occurs in the conditions of an industry until some member of a union who is working for a private employer has become dissatisfied with his hours or remuneration, or some other condition of his employment. Should he express his dissatisfaction, his employer would immediately say to him, "Your organization has an award, which I am following, and, as you are not satisfied with it, you can go." There is no protection for that individual. I can understand the statement of the Minister that the measure is designed to encourage organization, because evidently its purpose is to transform the organizations of workers into police bureaux for the benefit of the employers. It pretends to give a benefit to the employee, but gives none at all. As a matter of fact, any employer who was stupid enough to inform an employee that he was dismissing him for his industrial views, could not remain in business very long. In practice, what the employer does when he wishes to get rid of an objectionable unionist is to tell him that he has no work for him. I have had that dodge worked on me. I have been given a start at 8 o'clock, and "fired" at 5 o'clock. The employers do not threaten to dismiss their men; they merely get rid of them. This clause is a mere doping of the workers by pretending to confer benefits upon them which are not conferred. From my point of view, the Minister's explanation makes the position worse. He asks us to solemnly devise machinery for the protection of the employees, when, as a matter of fact, the power of the employer to get rid of men is not and cannot be taken away. How can an employer be prevented from dismissing an employee if he does not say straight out, "I am dismissing you for the part that you took in such-and-such a strike," or "because you gave certain evidence in the hearing of a case"? An employer, if necessary, can suspend his operations temporarily, and afterwards would not be compelled

to re-employ his original hands. A wharf labourer who was obnoxious to his employers would not be "seen" by the boss when he attended on the wharf to be picked up; the sailor who was obnoxious would not be able to sign on for another voyage. The miner, after he had cut out his fortnight's contract, would be offered a low price for the next, so that he must refuse the work. There is no way of protecting any of these individuals, and the workers will never be able to protect themselves from their employers except by the power of their organizations. If it does not pay an employer to penalize individuals who are agitating, he will continue to employ them; but otherwise he will get rid of them, even though he may have to stop his plant for a time to do so. In Broken Hill there have been cases of deliberate victimization; but when a mine has been laid idle in protest against such cases, the men may be reinstated, but a little later they are got rid of under circumstances which make it impossible to prove victimization. It is nonsense to think of protecting the employees by provisions of this character. To-day the employers are on top, and have the control of industry, and until the workers have a bigger say in the control of industry, they will have no protection.

Sitting suspended from 6.28 to 8 p.m.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [8.0].—Before the dinner adjournment, I told the honorable member for Maribyrnong (Mr. Fenton) that I was inclined to favour his proposal to amend section 9 in order to deal with what I described as intimidation. I have in the meantime considered the section closely, and I find that it would be difficult as a matter of drafting to introduce, by way of amendment, the idea of intimidation. If the honorable member will withdraw his amendment, I am prepared to take certain action. I have given instructions for the drafting of an amendment which will deal with the intimidation aspect of the matter, and which will prevent threatening to dismiss a man who wants to become an officer or member of an organization, or to join an association about to be registered, and will deal also with threatening a man for giving evidence. That is the only way in which, it seems to me, the

matter can be satisfactorily dealt with. I promise the honorable member that, at a later stage, when we are dealing with new clauses, I shall submit a new clause to meet his views in the way I have stated.

Mr. FENTON.—Will the Minister in the new clause cover threatening to dismiss?

Mr. GROOM.—Yes; using a threat to dismiss to prevent a person joining an association, giving evidence, or taking part in proceedings.

Mr. FENTON.—In the circumstances, I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. HECTOR LAMOND (Illawarra) [8.2].—The statement made by the Minister, I think, covers the suggestion I wished to make, but I should like to be quite clear on the point. It occasionally happens that it is proposed to form an organization, and that while it is in process of formation an employer will threaten to dismiss any of his men who take any part in forming it. It was my desire that the clause should be so amended as to prevent that. Am I to understand that that difficulty will be met in the new clause the Minister proposes to submit?

Mr. GROOM.—I shall make it as wide as I can consistent with the purpose of the Bill. I shall bear in mind what the honorable member has said.

Mr. HECTOR LAMOND.—It seems to me that whilst we adopt the principle which we have adopted in connexion with all industrial legislation—that organization is desirable—we should not allow any one to put obstacles in the way of forming organizations.

Mr. GROOM.—We can only deal with associations or organizations that will come under the Act. It would not do to make such provision in the case of men who wished to become members of associations or organizations having nothing to do with this Act. That would not be relevant to the purpose of the measure.

Mr. HECTOR LAMOND.—I quite see that. If the Minister will agree to meet the case to which I have referred, so far as the purpose of the Bill will permit, I shall be satisfied.

Mr. GROOM.—I am prepared to do that.

Mr. BRENNAN (Batman) [8.5].—Before the dinner adjournment, I pro-

posed an amendment of the proposed new paragraph *d*, which reads—

being a member of an organization which is seeking better industrial conditions, is dissatisfied with his conditions.

From two points of view, I contend that that paragraph does not go far enough. Of course, I realize that it represents an advance upon the existing law, but it indicates also how much further in the same direction the Government might have gone. I wish to add after the word "organization" the words "or of an association that has applied to be registered as an organization." That is the first amendment of the paragraph which I suggest.

THE TEMPORARY CHAIRMAN (Mr. Atkinson).—I understood the honorable member to propose the omission of certain words.

Mr. BRENNAN.—Yes, it is my intention to propose the omission of the words, "which is seeking better conditions." If honorable members will read the whole section as it appears in the reprint before them, they will find that there are certain prohibitions upon the right of an employer to prejudice any employee in any one of a number of ways. The employee is not to be injured or prejudiced by reason of the circumstance that he is an officer or member of an organization or of an association that has applied to be registered as an organization. That is provided for under paragraph *a* of the section. Why should we not give the employee the same protection under paragraph *d* as he is given under paragraph *a* if he is a member of an association which is seeking to be registered as an organization? It seems to me that it would be only logical and reasonable to do so.

Mr. HECTOR LAMOND.—The honorable member would prohibit an employer dismissing a man because he is dissatisfied with his conditions at all, if he is a member of an organization.

Mr. BRENNAN.—If he is a member of an organization or of an association which is seeking to be registered as an organization. A man is a member, we will say, of an association. He suggests to his fellow-members that they should form an organization and should register in the Arbitration Court, and because he makes that suggestion, because his desire may be presumed to be that the

association should be registered with a view to an improvement of his conditions, his employer may dismiss him on the ground that he is dissatisfied. Why should he be free to dismiss him in those circumstances any more than if he is a member of an organization seeking to better his conditions? The whole purpose of this legislation is to encourage men to become members of organizations. Paragraph *a* of the existing Act shows clearly that the intention is not only to protect him as a member of an organization, but to encourage him to join an organization and to encourage associations to register as organizations.

Mr. CORSER.—Was that the spirit shown in dealing with the honorable member for Capricornia (Mr. Higgs)?

Mr. BRENNAN.—I understood that the intention of the Committee was to do business. Evidently that is not the intention of the honorable member for Wide Bay (Mr. Corser). I am prepared to discuss the honorable member for Capricornia at some other time when the discussion will be relevant. It would not be relevant to this Bill. Incidentally, as the matter has been raised, I may say that I think the honorable member for Capricornia (Mr. Higgs) made up his mind to leave the Labour party, and it was a question whether he should be expelled or should get out in some other way. Apparently, he chose his own way.

The TEMPORARY CHAIRMAN.—Order!

Mr. BRENNAN.—The Government propose to limit this protection, not only to members of an organization, but to members of organizations which are seeking to better industrial conditions. This position may arise: A man is a member of an organization, as he is entitled to be, and as he is invited to be by this legislation. He suggests to the fellow-members of his union, "We should go to the Arbitration Court in order to better our conditions, and obtain an award." The organization may or may not be impressed by that view, and may or may not take any action; but if the organization has not taken any action to better the conditions of its members under this Bill, the man who suggests that action gives evidence of his dissatisfaction with his conditions, becomes marked as a dissatisfied man, and may be dismissed

by his employer with impunity for that reason. The Minister in charge of the Bill asks how we can prevent employers dismissing employees. He says that we cannot expect an employer to put up with a grumbler who is constantly complaining about his conditions. If that is the spirit in which he approaches this question, why trouble about paragraph *a*, which forbids a man being penalized in the circumstances there set out, and why his own new clause? When speaking on the second reading of the Bill, the Minister pointed out that he was giving a certain measure of protection to men who might be dissatisfied with their lot, and I interjected that the Government did not intend to penalize "divine discontent." I understood the Minister to agree with that view, but I find that he does not agree with it.

Mr. GROOM.—The honorable member is dealing with discontent, whilst I was referring to "divine discontent."

Mr. BRENNAN.—If the honorable gentleman will read the clause again he will recognise the very limited extent and the very parsimonious manner in which he proposes to sanction "divine discontent." Outside that very limited sphere of discontent the Bill proposes to give the employer an absolute and unrestrained power to dismiss. Dealing with the second part of my objection to the clause, let me suppose that a man is a member of an organization, and, for the sake of my argument, we may presume that he is not a direct actionist. He wants to avail himself of the law, to submit himself to the arbitrament of a Court, and is prepared to accept its judgment. But the Minister says that unless he happens to be a member of an organization which as such has taken steps to better the conditions of its members, if he as an individual expresses the opinion that there should be some improvement in his conditions, or if he suggests to his organization that they should move for better conditions, under this Bill he gets no protection whatsoever. I do not see what is in the mind of the Government. How they can square the narrow interpretation which must be placed upon this new paragraph with the much wider and more generous interpretation which must be put on preceding paragraphs in the

same section of the Act I cannot understand. I cannot see how they can logically oppose the amendment which, in the circumstances, I must move. I move—

That the words "which is seeking better industrial conditions" be left out, with a view to inserting in lieu thereof the words "or of an association which has applied to be registered as an organization."

I admit that the words I seek to have inserted may have the effect of limiting the scope of the paragraph, which, without them, would read as follows:—

being a member of an organization is dissatisfied with his conditions.

But I seek to have the paragraph read as follows:—

being a member of an organization or of an association that has applied to be registered as an organization, is dissatisfied with his conditions.

in order to bring it into uniformity with the words of paragraph *a*, which reads as follows:—

or is an officer or member of an organization or of an association that has applied to be registered as an organization.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [8.19].—I cannot accept the amendment. The honorable member has quite misconceived the purpose for which section 9 is being amended by clause 4. It is being amended because of a decision given in a Court in Tasmania before a magistrate, and referred, on appeal, to the High Court. In that case the point at issue was whether a member of an organization seeking to improve its conditions could be dismissed by an employer on the ground of dissatisfaction with the conditions of his employment; and the Court held that, under the law as it stands at the present time, the employer was protected in this respect. The employer's evidence was that he had dismissed a man, not because he happened to be a member of an organization, which he is prevented from doing by paragraph (*a*), but because the man was dissatisfied with the conditions of his employment. The organization to which the man belonged was seeking to improve its conditions, and the employer dismissed him because he was dissatisfied with the conditions which the organization was seeking to improve. It

was lawful and legitimate for the organization to seek to improve those conditions, and it was equally fair and proper that the employee should have a right to be dissatisfied with them, and should want to improve them in accordance with the aims of his organization. To meet such a case the Government proposes to add to section 9 of the principal Act a paragraph providing that an employer must not dismiss a member of an organization seeking to improve its conditions on the ground that he happens to be dissatisfied with those conditions.

Sir ROBERT BEST.—That is going a long way.

Mr. GROOM.—Yes. It is an interference with the ordinary common law of master and servant, which permits the master, who is of opinion that a servants' dissatisfaction with the conditions of his employment is such as to render him unsuitable as a servant, to dismiss him, without incurring any penalty for so doing. The Government's proposal cuts right across that common law rule, on the ground that, as the Conciliation and Arbitration Act seeks to encourage organizations to register under the Act, and empowers the Court to give them the right to appear before it and submit plaints for the improvement of industrial conditions, individual members of such organizations whose natural desire is to further the plaints before the Court, ought to be protected from dismissal on the ground stated. However, that is as far as we propose to go. The honorable member for Batman (Mr. Brennan) would go considerably further. He would strike out the words, "which is seeking better industrial conditions," and insert in their stead the words, "or of an association that has applied to be registered as an organization."

Mr. BRENNAN.—To bring the paragraph in conformity with paragraph *a*.

Mr. GROOM.—Let me deal with the two proposals in their order. First of all, with the omission of the words which the honorable member seeks to have deleted, an employer could not dismiss an employee who "is a member of an organization, and is dissatisfied with his conditions." The mere fact that a man

was a member of an organization would protect him for all time. He could not be dismissed, on the ground that he was dissatisfied with his conditions.

Mr. RICHARD FOSTER.—A dissatisfied employee is of no use to any one.

Mr. BRENNAN.—The amendment in the Bill protects him to a certain extent.

Mr. GROOM.—It protects a member of an organization which is legitimately seeking to improve its conditions; but the honorable member's proposal would give complete protection to a certain number of discontented and dissatisfied members of an organization which has gone to the Court and secured an award with which the great bulk of its members were thoroughly satisfied. We cannot do that. The only logical reason for affording a man protection is the fact that the organization, of which he is a member, is also dissatisfied, and is seeking to improve its conditions. Now, let us take the second part of the honorable member's amendment, in which he seeks to insert the words "or of an association that has applied to be registered as an organization." The honorable member states that his purpose in seeking to insert these words is to bring the paragraph into harmony with paragraph *a*, which prevents an employer from dismissing an employee who is a "member of an organization"—that is to say, one which is already registered under the Act—"or of an association that has applied to be registered as an organization." There is a reason for having these words in paragraph *a*, because in the period that elapses before registration, employees must get together to form an association, and if an employer could with impunity dismiss all the persons who were members of an association about to be registered, he might interfere with the lawful right of the members of that association to become a registered organization, and, logically, he ought to be punished for seeking to block the endeavour of his workmen to exercise their lawful right to register.

Mr. BRENNAN.—The principle is the same in the two paragraphs.

Mr. GROOM.—It is not. Before registration an association is not seeking specifically to improve industrial conditions, because it does not formulate

late its plaint, or specify the conditions which it regards as unsatisfactory, until it is registered. For that reason it would be quite improper to insert the words "which is seeking better industrial conditions" in paragraph *a*. I think the honorable member will admit that the Government have made a sincere effort to meet a particular problem, and as any attempt to carry it further would be a serious and unjust invasion of the ordinary rule of common law, I am not prepared to assent to it.

Mr. BRENNAN.—If the president of an organization, which is registered, suggests that a plaint should be formulated, would it be fair that he should be immediately dismissed because, as an individual, he has expressed dissatisfaction to an organization which has not yet begun to make its claim?

Mr. GROOM.—The honorable member is seeking, not merely to protect the president of an organization, but every other member of it. The protection given by the Bill is really substantial. I ask the honorable member not to press his amendment.

Sir ROBERT BEST (Kooyong) [8.29].—I ask honorable members to look very seriously at the honorable member's proposal. As I interjected, the Government's amendment goes a remarkably long way, but if the honorable member's proposition were agreed to, employers would be placed in a gravely serious position, and would have the greatest difficulty in getting rid of men who were the source of constant irritation and serious discontent in their establishments. The Government go so far as to say that so long as the dissatisfaction is that of an organized body, the mere fact of a member of that body expressing the same dissatisfaction is not to entitle the employer to dismiss him. That may bear the appearance of being unreasonable, but honorable members will see that in it there is the guarantee that it is the dissatisfaction not of an individual, but of the whole organization. If, however, the honorable member for Batman (Mr. Brennan) strikes out the words "which is seeking better industrial conditions," he removes it from the complaint of the organization or corporate body, and it resolves itself into the complaint of an individual. An award may have been given

which has been completely satisfactory to all concerned, but one individual may set to work to get up a further agitation, and express himself as dissatisfied with various conditions, and disorganize the whole of the employment, yet the employer will be utterly helpless. He will not be able to protect himself against the agitation of that individual, and cannot get rid of him. The effect of the amendment, therefore, would be to put the employer in the position of having to suffer the constant and irritating discontent of the individual without being able to rid himself of him.

Mr. RICHARD FOSTER.—And his discontent may spread over the whole staff.

Sir ROBERT BEST.—Exactly. His individual complaint may not be shared by the general body of employees in that particular class of work. He may be absolutely insatiable, and may breed discontent throughout the whole employment, but all that the employer can do is to look on utterly helpless, and pay that man in the same way as he would a willing worker.

Mr. BRENNAN.—Then the idea is to "sack" the man before he can get the organization to work.

Sir ROBERT BEST.—That is another matter altogether. The honorable member then proposes to use the same words as appear in paragraph *a*—"or of an association which has applied to be registered as an organization." I can quite understand those words being used in paragraph *a*. If there is an organization in existence it must of course express the dissatisfaction, but if not, then comes in the protection that those who are setting to work to form an organization are not to be penalized by reason of their attempt to do so. But to introduce these words into proposed new paragraph *d* would be a grave and serious matter, because it would give to the discontented individual even greater security than could be given if the words "which is seeking better industrial conditions" were struck out. He would be placed in such a position that he could practically defy the employer. I submit to the honorable member for Batman (Mr. Brennan) that paragraph *d* is most reasonable from the standpoint that the man is fully protected if he is only expressing the dissatisfaction of the organized body. If he is going to set to work to disregard and

defy the organized body and create discontent, he is not entitled to any further protection.

Mr. FENTON (Maribyrnong) [8.36].—Notwithstanding the protest of the honorable member for Kooyong (Sir Robert Best), the amendment of the honorable member for Batman (Mr. Brennan) is very reasonable. It merely seeks to protect a man who tries to do himself and his fellow employees some good. All we want to do is to put in paragraph *d* the same words as now appear in paragraph *a*. Why not? If the Committee is prepared to protect a man in one case because he is advocating certain principles for the benefit of himself and his fellow workers, why penalize another man who is endeavouring to do the same on behalf of himself and his fellow employees in another case? In previous days a man in a workshop had only to say, "It is about time we had a union here," to be promptly turned out into the cold world to look for a job. Nowadays it is done more scientifically. It is amusing to hear honorable members on the other side putting up a plea for the unfortunate employer. There are a thousand and one ways in which an employer can get rid of a man. This Bill, in many of its clauses, sets out to protect the worker who is endeavouring to improve his industrial conditions and those of his fellow workers. That is the whole tenor of the Bill. It is a well known fact that an employer can always protect himself against the encroachments, if you like to call them so, of the worker.

Mr. LIVINGSTON.—What about a clause to provide that the worker shall give a fair day's work for a fair day's wage?

Mr. FENTON.—I refer the honorable member to up-to-date statistics, which prove that the working men of Australia are turning out more goods, and of greater value, than ever they turned out before.

Mr. RICHARD FOSTER.—The working men of Australia are all right, but what about the loafing men of Australia?

Mr. FENTON.—There must be many men in these organizations doing more than their fair share to make up for what the honorable member calls the loafers, if those statistics are correct, because the goods are there and are delivered every time. Why should certain words be beneficial in one part of the clause and injurious in another part? In this Bill

honorable members, whether they have the employers' sympathies or not, are setting out to protect the worker. Unless there is organization on both sides arbitration and conciliation will be of very little value. We might as well put this Bill on the kitchen fire when we go home, unless we are going to recognise organizations. We are out as a Parliament to see that organizations are formed in order that conciliation and arbitration may run their proper course.

Sir ROBERT BEST.—This does not challenge that in any way.

Mr. FENTON.—Undoubtedly it does. The honorable member spoke of the case of a discontented individual. Nearly every reform that has taken place has begun with one man or a few men, and the history of all countries proves conclusively that the few have suffered in trying to bring it about. In some cases their lives have been taken, and it has been proved that, over and over again, many workers have lost their positions. We must protect the man who, in the factory or workshop, is prepared to start a movement to form an organization that can go to the Court and be brought under the provisions of the Arbitration Act. That is a desirable thing to encourage. I support the amendment moved by the honorable member for Batman (Mr. Brennan), and am rather surprised that the Minister (Mr. Groom) is not ready to accept it.

Mr. RYAN (West Sydney) [8.40].—I support the amendment moved by the honorable member for Batman (Mr. Brennan), and so clearly explained by him. I find it quite impossible to follow the arguments put forward by the Minister (Mr. Groom), or the special pleading of the honorable member for Kooyong (Sir Robert Best). They seek to draw a distinction between proposed paragraph *d* and paragraph *a*, so far as concerns an organization or an association that has applied to be registered as an organization. I fail to see upon what logical grounds any exception can be taken to the very fair argument of the honorable member for Batman for the inclusion of members of an association which has applied to be registered as an organization, as well as members of registered organizations. No effective argument has been directed to that point at all.

Sir ROBERT BEST.—I could understand the argument of the honorable member for Batman if he simply wanted to add the words he has suggested, and did not want at the same time to delete the words "which is seeking better industrial conditions."

Mr. RYAN.—The honorable member for Batman made it very clear that those are two separate matters. Does the honorable member suggest that, if those words were left in, he would have no objection to adding after the word "organization" the words "or of an association which has applied to be registered as an organization"?

Sir ROBERT BEST.—I am dealing with the argument of the honorable member for Batman.

Mr. RYAN.—When the honorable member is cornered, he backs out. I have pointed out the logic of the honorable member for Batman on the first branch of his argument. I am with him also on the second branch, because the inclusion of the words "which is seeking better industrial conditions" places an impediment in the way of establishing the guilt of an employer who would dismiss a member of an organization because he was dissatisfied with his conditions. I listened with a good deal of interest to what I have termed the special pleading of the honorable member for Kooyong in this respect. Looking at our friends, the members of the so-called Country party, in the corner, the honorable member appealed to them to recognise that if those words were not left in an employer would not be able to dismiss a person who was dissatisfied with his conditions, and infected others with his dissatisfaction, and was causing general trouble amongst the employees.

Mr. PROWSE.—Why the "so-called Country party"?

Mr. RYAN.—I do not wish to overload my argument with that matter at the present time, but when a more suitable occasion arises I shall be pleased to give my views upon it. If the honorable member for Kooyong were defending an employer, who was charged with having dismissed an employee because he was not satisfied with his conditions, he would probably appeal to the Bench in these terms, "My client has not dismissed the man because he is dissatisfied with conditions, but because he is a general

agitator, and is causing trouble amongst the other employees, which is an entirely different matter."

Mr. RICHARD FOSTER.—He has a perfect right to dismiss him for either.

Mr. RYAN.—That is where we differ. If the honorable member would allow an employee to be dismissed in circumstances that the honorable member for Batman is trying to guard against, he would enable an employer to victimize, if he were so inclined, a member of an organization who was honestly endeavouring to persuade his fellow employees that they should seek better industrial conditions. That could be done under the clause as it stands. I should like to know who suggested this proposed amendment of the principal Act. Where did it emanate? Who suggested that paragraph *d* should be inserted in section 9 of the principal Act? Does the suggestion come from the Court itself?

Mr. GROOM.—Would that affect the honorable member's vote on the subject?

Mr. RYAN.—It might affect my attitude upon the matter, because I feel, as I have said before, that the President and Deputy President of the Court should have been asked for a report as to the proper forms of amendment to be made in the existing Act. It would be very helpful to me, in arriving at a conclusion, to be able to refer to a report made by the President of the Court. Mr. Justice Higgins has had long years of experience. He is admittedly a capable Judge, and I do not think that any one would suggest that he would be actuated by any but the highest motives—by a desire to assist the Legislature in so shaping this amending Bill as to aid in the removal of industrial unrest. This is a very important matter. It affects not only the clause now before us, but others. I should like to know whether the President of the Court has been consulted—whether he has expressed any views upon this amending Bill, or has been requested to make a report upon it. I hope that the Minister will be good enough to answer my inquiry.

Mr. BRENNAN (Batman). [8.47].—When I commenced to dissect this clause I thought that we were approaching the consideration of the question, in all good faith, with a desire to give effect,

logically and fully, to the policy of the Government, which is that of conciliation and arbitration. But as the debate goes on I see the trail of the "agitator" over the whole of the proceedings. The honorable member for Wakefield (Mr. Richard Foster) would dismiss an employee because he is dissatisfied or is agitating; he would dismiss him, he says, with perfect confidence, for any of these reasons, and, in fact, for no reason at all. Let us then approach this subject of conciliation in the atmosphere of unconciliation which the Government and their supporters have created for us. The Minister himself says, "We have introduced this modicum of relief because of a case that was tried in Tasmania, where it was found that a member of an organization that was approaching the Court for redress had been dismissed. We have introduced this particular paragraph, for the special purpose of dealing with this special case."

Mr. GROOM.—With that class of cases.

Mr. BRENNAN.—My answer to the Minister is that the Government cannot afford to summon the Federal Parliament every time the Court in Tasmania or any other State finds defects in Acts which this Government have succeeded in passing. We are dealing with principles, and not with special cases, even although those special cases in an especial way show defects in measures introduced by the Government. I gather that the honorable member for Kooyong (Sir Robert Best) mistakes the purpose of this Bill as being designed to promote strikes and agitations, since, when I put a very simple case to him, he says that it carries no conviction to his mind. As I pointed out, an organization might be registered under the Act. An organization, like every other body, acts on the advice of its leaders. It moves on the advice and representations made probably by its president and other officers. These officers, in the minds of honorable members opposite, of course, are agitators undeserving of any respect. But in our view they are the responsible officers of responsible organizations. Assuming that we had an organization registered under the Act, it might naturally follow that the first person to suggest to that organization what it ought to do for

the betterment of the conditions of its members would be its president or some other constituted leader, such as a shop delegate. And as soon as the president or any duly constituted leader said to the members of that organization, "We ought to file a plaint," or "Having regard to the cost of living and the material that I have at my disposal to convince you we would be justified in seeking better conditions," he would become a dissatisfied employee; he would be a marked man for dismissal, and would get no protection under this Bill.

Mr. RILEY.—He would be an "agitator."

Mr. BRENNAN.—And would stand condemned as such. That has always been the policy of the opponents of Labour. Their policy has always been to seize the live men in an organization and to victimize them before their influence extends to the members of the organization. They pick them off one by one. They make it unsafe for a man to be a leader, an adviser, of his fellow workers. And this Government, which stands for conciliation and arbitration, says, "We will back them up in dismissing a man in such circumstances." They come forward with this paltry pretence at amending the Act and say that in those very rare cases where a man who is a member of an organization that has actually taken action is dismissed, we will punish the employer. They put that forward as a genuine attempt to protect the workers in an industry. They protect the individual in the very exceptional case, but in the related cases in which they should logically protect him and in the numerous cases that will arise, they offer him no protection whatever. They, in effect, "bark" out, as the honorable member for Wakefield "barked" just now, "We will allow these men to be dismissed for no reason at all."

Mr. RICHARD FOSTER.—I did not say that.

Mr. BRENNAN.—That is what this Government policy of conciliation amounts to. I invite honorable members in the Ministerial corner, if they wish to be called "the Country party," and not "the so-called Country party," to address themselves to this question—to see where they are being led by the party of reactionaries sitting behind the Government—

and to support the amendment which I have moved.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [8.55].—The honorable member for Batman (Mr. Brennan) has tried to make it appear that the provision to which he takes exception is calculated to give relief in only isolated cases. The honorable member entirely misconstrues the clause. The words which he seeks to omit are, "seeking better industrial conditions." Is there an organization registered under the Act that is not endeavouring to improve industrial conditions? Almost every organization is trying to do so. How many cases are there before the Court?

Mr. BRENNAN.—A great many, and the Government will not appoint additional Judges to deal with them.

Mr. GROOM.—A moment ago the honorable member said that this provision would apply to only one special case. He now says that there are a great many cases. The actual position is that he is resorting to a policy of bluff. A significant commentary on his statement is that many of the men to whom he referred as the leaders of the industrial organizations are in the employ of the organizations themselves. They are not in private employment. They are organizers, and can go about seeking, as they are perfectly justified in doing, to improve the conditions of their fellows. The organizers and secretaries of the various unions are paid officials.

Sir ROBERT BEST.—But even if it were not so, their action on behalf of an organization would be the action of the organization itself.

Mr. GROOM.—That might be so. The words to which the honorable member takes exception are "an organization which is seeking better industrial conditions." The clause is not even confined to organizations which have filed a plaint, and are limited to the conditions of that plaint. The dissatisfaction might cover a wide area. The honorable member for Batman, at the outset, admitted that this was an improvement on the principal Act. Suddenly, however, waxing eloquent, he forgot that statement, and had not a good word to say for the clause. We shall be satisfied to accept the statement made by him before exhilaration destroyed his judgment.

Mr. BRENNAN.—The clause is good as far as it goes, but it does not go far enough.

Mr. GROOM.—It goes as far as we are entitled to go. The honorable member for West Sydney (Mr. Ryan) desired to know whether the President of the Court had suggested any of the amendments of the principal Act for which this Bill provides. As a matter of fact, he made suggestions to within a fortnight of the introduction of the Bill. We have throughout been constantly in touch with him, and he has been making suggestions.

Mr. RYAN.—Are his suggestions incorporated in this Bill?

Mr. GROOM.—As I told the House last week, many of them are. The Government did not call upon the President of the Court for a report, but the Department has been in touch with him, and had suggestions from him up to the time the Bill was launched. The Government, after all, must accept the responsibility for this Bill. Although the Department may not be in touch with the President of the Court, and be glad to consider amendments of the principal Act suggested by him, the Government itself, in the end, must be responsible for the Bill. It accepts that responsibility.

Mr. RYAN.—Will the Minister be good enough to let us know what amendments of the principal Act included in this Bill were suggested by the learned Judge?

Mr. GROOM.—I do not think it would be just to do so. If I did, the honorable member might perhaps receive the shock of his life. Our desire is to convert the honorable member to a reasonable view of our legislation. We accept the responsibility for the Bill, and submit, upon their inherent merits, the amendments of the principal Act for which the Bill provides. We have gone a long way, and do not feel disposed to go further in so far as this clause is concerned.

Question—That the words proposed to be omitted stand part of the clause (Mr. BRENNAN's amendment)—put. The Committee divided.

Ayes .. .	..	32
Noes .. .	..	16
Majority .. .	..	16

AYES.

Bamford, F. W.	Hughes, W. M.
Bayley, J. G.	Jowett, E.
Bell, G. J.	Lamond, Hector
Best, Sir Robert	Livingston, J.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marks, W. M.
Cameron, D. C.	Marr, C. W. C.
Cook, Sir Joseph	Poynton, A.
Cook, Robert	Prowse, J. H.
Corser, E. B. C.	Rodgers, A. S.
Fleming, W. M.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Fowler, J. M.	Wise, G. H.
Greene, W. M.	
Gregory, H.	Tellers:
Groom, L. E.	Burchell, R. J.
Hill, W. C.	Lister, J. H.

NOES.

Brennan, F.	Moloney, Parker
Charlton, M.	Ryan, T. J.
Considine, M. P.	Tudor, F. G.
Cunningham, L. L.	Watkins, D.
Gabb, J. M.	West, J. E.
Lavelle, T. J.	
Lazzarini, H. P.	Tellers:
Mahony, W. G.	Fenton, J. E.
Maloney, Dr.	Riley, E.

PAIRS.

Watt, W. A.	Anstey, F.
Bowden, E. K.	Blakeley, A.
Story, W. H.	Catts, J. H.
Gibson, W. G.	Mahon, H.
Chapman, Austin	Mathews, J.
Maxwell, G. A.	McDonald, C.
Francis, F. H.	McGrath, D. C.
Jackson, D. S.	Nicholls, S. R.
Wienholt, A.	Page, James

Question so resolved in the affirmative.

Amendment negatived.

Clause agreed to.

Clause 5—

Section fourteen of the Commonwealth Conciliation and Arbitration Act 1904-1918 is amended—

- (a) by inserting in sub-section (1), after the word "any" (first occurring), the words "person or persons holding the office of";
- (b) by inserting in that sub-section, after the words "the Deputy" (wherever occurring), the words "of Deputies"; and
- (c) by omitting from sub-section (2), the word "The" (first occurring) and inserting in its stead the word "A".

Section proposed to be amended:—

14. (1) The Governor-General may, by instrument under his hand, appoint any Justice of the High Court or Judge of the Supreme Court of a State to be the Deputy of the President in any part of the Commonwealth, and in that capacity to exercise such powers and

functions of the President as the Governor-General thinks fit to assign to the Deputy.

(2) The Deputy so appointed shall be entitled to hold office during good behaviour for the unexpired period of the term of office of the President for the time being, and shall be eligible for re-appointment, and shall not be removed during the said period except by the Governor-General on an address from both Houses of the Parliament in the same session, praying for such removal on the ground of proved misconduct or incapacity.

Mr. RILEY (South Sydney) [9.7].—I desire to amend section 11 of the principal Act by providing for the appointment of two laymen, whose duty it will be to assist the Judge of the Arbitration Court. The President of that Tribunal has experienced a very trying time for a number of years, and, during that period, has received no assistance whatever from experts. The Act would be considerably improved if the industrial class were permitted to elect one representative, and the employing class another representative, to assist him in the determination of cases.

Mr. BLUNDELL.—The honorable member suggests the appointment of assessors?

Mr. RILEY.—Yes. We have already recognised this principle in the Industrial Peace Bill, in which provision is made that both sides to any industrial dispute shall have a representative on the Boards which are to be constituted under that measure, with an independent chairman. Why should not that system be applied to the Arbitration Court? If the Act be amended in the direction I have suggested, both the employees and the employers will have more confidence in that Tribunal than they have at present. By adopting the plan which I have outlined, great good may be accomplished. The experiment is not a new one. The old Arbitration Court in New South Wales was constituted of a Judge and a representative from both the employers and the employees. I have no desire to occupy time unduly, but I ask the Committee to give my suggestion favorable consideration.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [9.9].—The new clause which the honorable member has suggested is quite irrelevant at this stage. Its adoption would involve a complete revision of the Act.

Mr. RICHARD FOSTER.—It would be worth all that.

Mr. GROOM.—At this stage, the desire of the Government is to amend the Act in certain particulars. But the Prime Minister (Mr. Hughes) has already indicated that it may be necessary, later on, to revise it completely.

Mr. RYAN.—What are the present provisions of the Act in respect to assessors?

Mr. GROOM.—The Judge of the Arbitration Court is empowered to call in assessors, and it is compulsory that he should avail himself of their assistance upon the application of either party.

Mr. RICHARD FOSTER.—But he is not bound to be guided by them.

Mr. GROOM.—Section 35 of the Act clearly sets out that the Court shall, on the application of any party to an industrial dispute, appoint two assessors for the purpose of advising it in relation to such dispute.

Mr. GREGORY.—Then the Act provides that the Judge shall call in assessors upon an application being made by either party?

Mr. GROOM.—The honorable member for South Sydney (Mr. Riley) desires to make the appointment of assessors part of the Court itself. That would involve a complete revision of the whole Act.

I have already circulated an amendment which I intend moving in respect of clause 5 of the Bill. Under the principal Act, the Governor-General in Council has power to appoint only one Deputy, and this Deputy may be appointed only for the unexpired period of the term of office of the President for the time being. The object of the clause in the Bill is to enable as many Deputies as may be necessary to be appointed. It was pointed out that the clause in regard to the tenure of the Deputies is somewhat ambiguous. If the Judge were to resign, would “the unexpired term of office of the President” mean the balance of the period for which he was appointed? We want to place this matter beyond doubt. I therefore desire to insert at the end of the clause the following paragraph:—

“(d) By omitting from sub-section (2) the words ‘of office of the President for the time being’ and inserting in their stead the words ‘for which the President holding office at the date of his appointment was appointed.’”

Suppose that a vacancy in the Presidency of the Court arose at the present moment, and that we desired to appoint a Deputy while there was no President in being, the Deputy would hold office for a period of seven years from the time of the appointment.

Mr. RICHARD FOSTER.—Suppose that in the meantime the Act is repealed?

Mr. GROOM.—Then, of course, the office goes.

Mr. RICHARD FOSTER.—And you will have to find something for the Judge to do.

Mr. GROOM.—No; the only person who can be appointed as Deputy is a Judge of the High Court or a Judge of the Supreme Court of a State, and when he ceases to act he will resume his ordinary judicial functions.

Mr. RICHARD FOSTER.—Then the Judge is really only borrowed?

Mr. GROOM.—That is so, just as State Judges are, as it were, borrowed for Federal work and the State Courts invested with Federal jurisdiction.

Mr. RYAN.—What amendment are you moving?

Mr. GROOM.—I pointed out that the clause makes provision for the appointment of Deputies, and the amendment is one to define the tenure. There is a small drafting amendment, and then I propose to insert the words, a copy of which has been circulated.

Mr. HECTOR LAMOND.—Is the appointment of a Deputy for a fixed time?

Mr. GROOM.—The Deputy will be appointed for a definite time.

Sir ROBERT BEST.—Why associate his term with that of the President?

Mr. GROOM.—On the ground of his being a Deputy; the original suggestion was accepted to make the term co-terminous with that of the President.

Mr. CHARLTON (Hunter) [9.19].—I have a prior amendment to that of the Minister. I move—

That the following paragraph be inserted before paragraph (a):—

"(aa) by omitting the words 'Governor-General' in line 1 of sub-section (1.) and inserting the word 'President' in place thereof, and by inserting the words 'person or persons holding the office of' after the word 'any' in line 2 of sub-section (1.)."

The amendment means that the President will appoint the Deputies, and will practically bring us back to where we were before the Conciliation and Arbitration Act was amended in 1918, prior to which the President had the power. Since that amendment of the original Act it has been proved that this section has not given satisfaction to industrial unionists. The Court is congested chiefly because the man who presides over it, and who knows most about the business, has not the power to appoint any one to assist him. The appointment at present is left to Executive authority, and the clause in the Bill, as it stands, so leaves the law. Unless the Government feel inclined to appoint Deputies to meet the congestion, the Court will still be "ham strung," and, therefore, I wish the President to have the power. In the near future there may be no necessity for Deputies at all, for, with the machinery being brought into existence, it is possible that the Court may not have one-third of the work it has now to meet. Until such time however, as the accumulated work is reduced, it ought to be left with the President to appoint Deputies. We may rely on it that the Court will not appoint any Deputies unless there is an absolute necessity; and I think my amendment will prove satisfactory to all concerned. All the congestion has occurred since we last amended the Act, and we are responsible, because we have not made appointments to meet the business. Under the circumstances, there should be no objection to reverting to the old system. Only at times will it be necessary to appoint a Deputy, and we ought to take great care that claims have not to wait six or twelve months for settlement.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [9.26].—I cannot accept the amendment, and I ask the Committee to review the position and see where we stand. In 1918, on suggestions which originated from a Justice of the Court, as announced at the time, the law was expressly altered so as to allow the appointment of Deputies to be made by the Governor-General, instead of, as previously, by the President.

Mr. RYAN.—Did the President suggest the alteration?

Mr. GROOM.—At the time one of the Judges was acting as Deputy, and, after consultation with him, the alteration was made.

Mr. AUSTIN CHAPMAN.—If the amendment now suggested had been the present law, would the congestion not have been prevented?

Mr. GROOM.—It would not.

Mr. CHARLTON.—Could the President not have appointed other Judges?

Mr. GROOM.—No; there is a difficulty in arranging the work. Mr. Justice Powers resigned, and the Government made every effort when Mr. Justice Starke was appointed to his place as Deputy.

Mr. CHARLTON.—Even with Mr. Justice Starke it is evident that there are not sufficient Judges. Why should not the President appoint others?

Mr. GROOM.—We are taking power expressly to meet that position.

Mr. CHARLTON.—I wish to leave the appointments to the President.

Mr. GROOM.—I think that, on the whole, the appointment of Deputies for a definite term should rest with the Executive. As to the congestion, I remind honorable members of another Bill that has to come before us to provide for the creation of an Arbitration Tribunal for Public Service cases. I think there are fifty-one cases, thirty-three of which are connected with the Public Service alone.

Mr. FENTON.—Is there to be a separate Court?

Mr. GROOM.—At the present time the Public Service is under a separate Act, but one of the arbitration Judges does the work. We are keeping practically the same law, but appointing a special arbitrator to take that kind of work only; and this, I think, will relieve the congestion.

Question—That the amendment be agreed to—put. The Committee divided.

Ayes	14
Noes	30
Majority	16

AYES.

Brennan, F.	Maloney, Dr.
Charlton, M.	Ryan, T. J.
Considine, M. P.	Watkins, D.
Cunningham, L. L.	West, J. E.
Gabb, J. M.	
Lavelle, T. J.	
Lazzarini, H. P.	Tellers:
Mahony, W. G.	Fenton, J. E.
	Riley, E.

NOES.

Bayley, J. G.	Hill, W. C.
Bell, G. J.	Hughes, W. M.
Best, Sir Robert	Jowett, E.
Blundell, R. P.	Lamond, Hector
Bruce, S. M.	Mackay, G. H.
Cameron, D. C.	Marks, W. M.
Cook, Sir Joseph	Poynton, A.
Cook, Robert	Prowse, J. H.
Corser, E. B. C.	Rodgers, A. S.
Fleming, W. M.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Fowler, J. M.	Wise, G. H.
Francis, F. H.	
Greene, W. M.	Tellers:
Gregory, H.	Burchell, R. J.
Groom, L. E.	Lister, J. H.

PAIRS.

Anstey, F.	Watt, W. A.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Story, W. A.
Mahon, H.	Gibson, W. G.
Mathews, J.	Chapman, Austin
McDonald, C.	Maxwell, G. A.
Nicholls, S. R.	Jackson, D. S.
Page, James	Wienholt, A.
Tudor, F. G.	Bamford, F. W.
Makin, N. J. O.	Livingston, J.
Moloney, Parker	Marr, C. W. C.

Question so resolved in the negative.

Amendment negatived.

Amendment (by Mr. GROOM) proposed—

That the word “and,” line 11, be left out, and that the following words be added to the clause—

(d) by omitting from sub-section (2) the words “of office of the President for the time being,” and inserting in their stead the words “for which the President holding office at the date of his appointment was appointed”; and

(e) by inserting after sub-section (2) the following sub-section—

(2A) A Deputy may be appointed, notwithstanding that a vacancy exists in the office of President at the time of appointment of the Deputy, and any Deputy appointed while any such vacancy exists shall be entitled to hold office during good behaviour for seven years, and shall be eligible for re-appointment, and shall not be removed except by the Governor-General on an address from both Houses of the Parliament in the same session, praying for such removal on the ground of proved misbehaviour or incapacity.

Mr. CHARLTON (Hunter) [9.36].—I am not quite clear as to why this amendment is being proposed. When the Bill was drafted there was no such amendment thought of, and it is now submitted to the Committee for some reasons which are not apparent. The amendment provides for a Deputy to be appointed, notwithstanding that a vacancy

exists in the office of President. I do not know whether the Government anticipate the position of President of the Arbitration Court becoming vacant, and have submitted this amendment on that account. If that is not the reason, it is difficult to understand why the amendment has been moved, and, perhaps, the Minister for Works and Railways will explain the position to enable the members of the Committee to ascertain whether they should accept the amendment or not.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [9.38].—In the Act as it stands at present there is a section providing for the appointment by the Governor-General of one Deputy President, and the first amendment is to give the Government power to appoint more than one Deputy. The second amendment deals with the tenure of office of the President. Under section 14 of the original Act the Deputy is appointed for the unexpired term of office of the President for the time being, which implies that if the President resigned, died, or vacated his office for any reason, the office of Deputy would cease to exist. The Government desire the office of Deputy President to continue, so that he will hold office during the unexpired period for which the President was originally appointed. If the President was appointed for seven years, and only two years had expired when he resigned, the amendment would enable the Deputy to hold office for the remaining period. The amendment is to prevent a vacancy happening in the office of Deputy President in the event of the President resigning or ceasing to hold office for any reason whatever. The Deputy is to continue to hold office for the remainder of the period for which the President was appointed.

Mr. RILEY.—Will that mean that another President would not be appointed?

Mr. GROOM.—Not at all. It merely enables the Deputy President to hold office for the remainder of the President's term. If we desired to appoint another Deputy, and the office of the President was not filled, we could do so. Supposing something happened to the President, and we required three Deputies, instead

of having to wait, we could appoint Deputies until another President was selected. Obviously a President must be appointed at the earliest possible moment in the event of the office being vacated by resignation, death, or other cause.

Mr. RYAN.—Has this amendment arisen in consequence of recent developments?

Mr. GROOM.—No. As a matter of fact, the contingency was discussed some time ago by the Crown Law officers.

Mr. RYAN.—Then why has it not been included in the memorandum circulated to honorable members?

Mr. GROOM.—Because the clause had not been drafted, and was not included in the original Act. There are no other reasons apart from those I have given.

Mr. HECTOR LAMOND (Illawarra) [9.40].—I am not satisfied with the explanation given by the Minister for Works and Railways. As I understand it, the term of office of the President and Deputy Presidents must expire at the same time. This will hamper the Government in dealing with the conditions as they exist in the Arbitration Court. If at the commencement of the President's term of office there is a period of congestion, the Government can only appoint an additional Judge for seven years. On the other hand, if we are within a year of the expiration of the President's term of office, we can only appoint Deputies for one year. The work of the Arbitration Court cannot be foreshadowed for five, six, or seven years, and the result of making this long term of office compulsory will be that the Government will defer the appointment of a Deputy as long as possible, in the hope that the congestion will disappear and an additional Judge will not be necessary.

Mr. RYAN.—Is the honorable member opposing the amendment?

Mr. HECTOR LAMOND.—I am not very clear as to what the amendment means. I am in favour of power being given to appoint more Deputies, and I am in favour of the Deputies continuing to hold office whether the President resigns or not; but I would like to know

why the Government deny themselves the right to appoint a Deputy for a year when that period of service may be sufficient to relieve the congestion of the Court. I think the Government would be in a better position to deal with the congestion if they were able to appoint a Deputy for one, two, or three years, as the circumstances warranted. The relation between the terms of office of the Deputy and the President is purely fictitious, and of no practical use at all. I would like the Government to have power to appoint a Deputy for such term as may be necessary, without regard to the term of the office of President, but for a period not exceeding seven years. I think there should be power at present, considering the state of the Arbitration Court work, to appoint several Deputies. Yet if they were appointed they would have to hold office till the President's term expired. If temporary Deputies could be appointed, that would be the proper course to follow.

Mr. RYAN.—Does the honorable member suggest that if the Deputy did not prove suitable the Government could remove him from office?

Mr. HECTOR LAMOND.—The less the Government have to do with a Judge after he is appointed the better. I advocate the complete independence of Judges after they have been appointed to the Bench; a Judge should not be able to look to the Executive for any preference or favour. In this case, however, appointment for a lesser term than the Bill seems to suggest should be possible.

Mr. CUNNINGHAM (Gwydir). [9.45].—In view of the lack of explanation from the Minister (Mr. Groom) and the very unsatisfactory way in which the information asked for by honorable members on this side has been denied, and in view also of the reticence of the Minister in regard to the suggestions which he says have been made by the President of the Arbitration Court, I move

That further consideration of the clause be postponed for the purpose of obtaining a report from the President of the Arbitration Court suggesting desirable amendments, with a view to Parliament considering the same, and, if necessary, inserting them in the Bill.

The amendments prepared by the Government have been presented to

the Committee in such a way as to suggest a Chinese puzzle. The statement recently made by the Minister is not in conformity with the statement made by the President of the Court to-night. It would be well if we could avail ourselves of the wide experience of the President of the Court. A statement made by him was published in the *Evening News* of 6th August, and, as it has not been altered in any way since, I can only assume that His Honour has been correctly reported. Mr. Justice Higgins said—

Neither my late colleague, Mr. Justice Powers, nor myself, has been shown the Bill on this and cognate subjects, or asked for suggestions or comments; although an experience of seven years in the one case, and of thirteen years in the other, might have been made fruitful of advantage to the public.

That is a very definite statement. In His Honour's opinion, it should not be left to the Government to decide how the Act should be amended, and the experience we have had of the Government does not give us confidence in their handling of such a question.

Mr. HECTOR LAMOND.—That is an impudent statement for a Judge to make.

Mr. CUNNINGHAM.—I have no doubt that the Judge made it with a full knowledge of the facts. The present Government endeavoured to appoint a certain Judge to a tribunal, and first instructed him what to do.

Mr. Justice Higgins continued—

The Prime Minister says "The hearing of cases is often very protracted. . . . one reason is that the Judge is necessarily unfamiliar with the trade or industry whose conditions he is called on to settle." . . . I challenge the Prime Minister to show that any case has been protracted for that reason. Contrary to my own expectations cases hardly ever turn on expert knowledge of this sort; but if, and as far as they do, the outsiders are generally more likely to be impartial.

The statement that the hearing of cases had often been protracted was the Prime Minister's excuse for introducing the Industrial Peace Bill, which Bill, in my opinion, will tend to create industrial strife in this country, if only for the reason that it fails to deal with the main cause of industrial unrest, namely, the profiteering which has been unchecked by the Government, who are in power through the instrumentality of the profiteers. The industrial legislation brought forward by

the Government has been introduced for the purpose of bringing about a crisis in the Arbitration Court, thus verifying the prediction made some months ago by the honorable member for Darling (Mr. Blakeley), and other honorable members of this party, that before long the President of the Court would be unable, on account of the action of the Government, to honorably continue to hold his position. His Honour pointed out that the delays of the Court were not due to any fault of the Court itself, but to Parliament itself, and he went on to illustrate how the Court has been beneficial in preventing industrial disputes. That statement shows that his opinion differs from that of the Government, and that the amendments which have been submitted to Parliament were not suggested by him, but, in all probability, are in direct opposition to his considered views. The discussion this evening has proved that the amendments are not designed for the preservation of industrial peace, but rather for the purpose of giving unscrupulous employers the weapon with which to cow their employees who endeavour to improve the conditions of their fellow workers and themselves. These are pernicious amendments which are designed to foment industrial trouble through the victimization of men who are termed agitators. Mr. Justice Higgins continued—

Apart from these particular strikes the fact is ignored that the Court has preserved the country from many strikes which would have occurred but for the Court's influence. The public know only what they have suffered; they do not know what suffering they have been saved. There are no statistics as to the number of strikes averted by the knowledge that the Court gives fair play; but the number is great. Perhaps we can get some idea from certain statisticians' figures quoted by Mr. Watt last year. (I think that the Prime Minister was away from Australia at the time.)

It appeared that, in the years 1914-15-16-17, there were in all 1,647 strikes in Australia; for the war created much industrial unrest. Of these 1,647 strikes there can be found only three (at the most) in disputes that could possibly come under the jurisdiction of the Court. The Court could not touch the dispute in the great strike of 1917, because it was a dispute between State Railway employees and the State Government.

I say nothing as to the propriety of the measures proposed, for that is a matter for Parliament, and I am not asked for my opinion. I say nothing as to the constitutionality of

the measures, for that is a matter for the High Court; and I want to leave my mind open for any discussion. In this statement I confine myself to a few of the misunderstandings as to the Court, expressed by the Prime Minister; and I should keep silent, even as to these if the Court had the benefit of a constitutional protector.

And in the *Evening News* of the 24th August, this statement appeared—

Mr. Justice Higgins appears to take the same view as some of the members of Parliament on the Industrial Peace Bill, and, to-day, in the Arbitration Court, he gave some hint of retiring from the position of President. After the luncheon adjournment Mr. Barker, on behalf of the Amalgamated Society of Engineers, asked His Honour if he could give an indication as to when the case might come on.

Mr. Justice Higgins replied that he could not. It was possible that he might be compelled to resign from his office as President. It was better, he said, to let his successor make his own arrangements. As the Bill was only now before Parliament, it was not seemly for him to make any further statement. He could not make any arrangement as to new cases, and would not give any undertaking as regards the order of business.

That clearly indicates that the President of the Court has not been asked to suggest amendments to existing legislation with a view to making the Act more beneficial to the people of Australia as a whole. We, on this side of the House, can fairly claim to be representative of the great body of workers, and I submit that the President should have been asked for a report for consideration, not only by the Government, but by the people and their representatives in Parliament. Unless we secure the good will and confidence of the great body of industrialists, we cannot have industrial peace, or that atmosphere which is necessary before there can be immunity from strikes. There is every need for a comprehensive report by the President of the Court to be submitted to Parliament. Nobody is better able to give an opinion upon arbitration questions. No man has had more to do with arbitration in Australia. Mr. Justice Higgins has dealt with cases of widely divergent character. I do not think that there is any man in Australia whom the workers would more confidently trust to furnish an impartial report. They have to rely on the Judge presiding over the Arbitration Court for decisions that vitally affect their means of

living. It is all very well for the Government to wave aside the criticism that they are not giving the workers a square deal, but we know the history of their administration, and an impartial person can come to no other conclusion than that they are not here in the interests of the workers. The funds which financed their election campaign were not supplied by the workers, but by the profiteers, whose interests lie in the bleeding of the workers and in making it harder for them to strike for better industrial conditions. There is not an honorable member on this side who has not been penalized because he has agitated for better conditions. We all know what it is to be black-balled and branded as pariahs because we have fought for those who have been working in bad circumstances like ourselves. We know that there are unscrupulous employers who, through representatives in this Parliament, are ready to stoop to anything in order to prevent the representatives of the workers from lifting their voices in the cause of better industrial conditions. Every honorable member should be able to go back and tell his constituents that he asked the Government for a report from the President of the Arbitration Court. I want to be able to inform my electors that in voting for this measure I had before me the suggestions of the President of the Court, in order that I might be able to assist in bringing about the better working of the Court, and so prevent industrial trouble. But, so long as we have a Government representative of the profiteers there will continue to be industrial unrest, because they will not deal with fundamental causes but will only tinker with industrial legislation, and thus aggravate the whole position. They can hope to achieve nothing, because they will not deal with principles.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [10.3].—The speech and methods of the honorable member for Gwydir (Mr. Cunningham) are characteristic. He throws out the suggestion that this is a profiteering Government. He knows that that statement is not correct, but that this Government is representative of the whole of the people of Australia. If I were to attempt to array in their order and

strength the elements which are behind the Opposition party, and then were to proceed to impute to its members that they represented the views of any one of those sections, there would be a howl of indignation. We do not hint, for example, that because there is a Bolshevik section of the community honorable members opposite are Bolsheviks. But it is all right for the Opposition to say anything they can lay their tongues to concerning the Government. Anything is good enough. That is the method employed for endeavouring to lower in the public esteem a Government which, by its good works, stands higher in the regard of the community than ever before. The honorable member for Gwydir desires that consideration of the clause be postponed. He says the Committee should not agree to it until honorable members have been furnished with a report from the Judge of the Arbitration Court regarding what he considers should be done. Surely this Parliament is the legislative body for the interests of Australia. I repeat, deliberately, that the majority of the clauses in this Bill are based on suggestions which have been made by the President of the Court. His very latest letter to the Government, which is dated 3rd August, and which I have before me, contains one of these suggestions.

Mr. RYAN.—Why not read the letter?

Mr. GROOM.—I will not do so, and have given my reasons. First, honorable members opposite say that we have not received such suggestions, and then, when we show them that we have done so, they can only cry, "Read them." However, anything goes so long as a little mud can be thrown.

Mr. MAHONY.—We think, about that letter, that it may be like some of "Billy" Hughes' cables.

Mr. GROOM.—I hold the President of the Arbitration Court in the highest respect, as I do the Prime Minister (Mr. Hughes). I urge the Committee not to delay this measure for any such reason as has been advanced.

Mr. RYAN (West Sydney) [10.7].—I support the request of the honorable member for Gwydir (Mr. Cunningham). The Minister (Mr. Groom) has misrepresented both the honorable member's speech and his purpose. The honorable

member, in common with other honorable members—not all of them on this side of the chamber—desires to have all the information available in order that honorable members may arrive at a proper conclusion concerning what should be included in the Bill. No one is more competent than the President of the Arbitration Court to report upon the matter. We have not got that report. We know that this Bill was not submitted to the President for report. It has been suggested, in a fragmentary way, that some of the amendments incorporated in the Bill were based upon suggestions made by the President from time to time. That may be so, but we have not before us the suggestions which he is stated to have made, and we are unable, therefore, to say how far those suggestions have been availed of, or modified, or turned down. Surely honorable members are entitled to have the best information available in order that they may arrive at the most valuable conclusions. The President of the Court has seen fit, in view of the circumstances surrounding the manner in which this Bill, and the Industrial Peace Bill, were placed before Parliament, to make comments, both pointed and direct, concerning the Government in not submitting to him those measures for any such expressions of opinion as he might have been inclined to make. It is for honorable members on both sides of the Chamber to say whether they concur in the Government's attitude. Does the honorable member for Grampians (Mr. Jowett) think it right that we should be compelled to consider an amendment of the Conciliation and Arbitration Act without being provided with a report such as the President of that Court has intimated that he is willing to give?

Mr. JOWETT.—After all, the members of this Parliament are the law-givers.

Mr. RYAN.—They are; but they ought to be ready and willing to refer to those sources that are best informed upon the matters concerning which they are making laws.

Mr. JOWETT.—That is why the Committee is listening with such attention to the remarks of the honorable member.

Mr. RYAN.—I thank the honorable member, and appreciate the compliment, and I trust that he and the honorable members associated with him will support the request of the honorable member for

Gwydir. No one can suggest that a report from the President of the Arbitration Court would do any harm, or, indeed, that it would not be helpful. Honorable members are considering a measure which is intended to prevent industrial unrest, and to prevent industrial disputes. We are dealing with two parties, namely, the employers and the employees, and we should certainly be provided with all information available from the best informed sources.

Mr. JOWETT.—Does the honorable member suggest that any one is suppressing any information?

Mr. RYAN.—I suggest that the Minister has had suggestions from the President of the Court with regard to amendments which he considers it desirable to incorporate in the Bill. I further suggest that the Minister has not incorporated all those suggestions, and I still further suggest that the Minister is keeping back from honorable members what those suggestions are.

Mr. JOWETT.—That is a very serious charge.

Mr. RYAN.—Does the Minister deny what I suggest?

Mr. GROOM.—The honorable member can finish his speech.

Mr. RYAN.—Surely the information should be supplied.

Mr. GROOM.—I will decide whether to do so when I speak.

Mr. ROBERT COOK.—Has the honorable member for West Sydney (Mr. Ryan) any information to back up his suggestion?

Mr. RYAN.—I have the statement of the Minister himself. He has submitted this evening that the President of the Court did make suggestions for the amendment of the Bill, and some of those suggestions are not incorporated in this measure. Further, the Minister declines to make those suggestions available to honorable members, because, forsooth, he says that they are for the Government to consider. As a member of this Legislature, I desire an opportunity to apply my own judgment to those suggestions, in order that I may be able either to support or to express disagreement with them. Honorable members are entitled to be made acquainted with the suggestions, and to insist upon having them. The desire of the honorable member for Gwydir is laudable.

I should like to know what is to be the attitude of the honorable member for Franklin (Mr. McWilliams) on this matter. I am sure that he will not be a party to having the suggestions of the President of the Arbitration Court set aside. If I have formed a correct opinion of him, he will require that as much information as it is possible to obtain shall be laid before the members of this Committee. Then, if I gathered correctly, from an interjection made when I was speaking the other night, the view of the honorable member for Perth (Mr. Fowler), he thinks it strange that this Bill was not submitted to the President of the Arbitration Court for his suggestions regarding it. I hope that, for the reasons I have given, the Committee will carry the motion of the honorable member for Gwydir, which he so ably supported.

Mr. FOWLER (Perth). [10.15].—The honorable member for Gwydir (Mr. Cunningham) would have had more persuasiveness if, when addressing himself to his motion, he had not made wild and whirling charges against those who sit on this side of the chamber. To tell members that they are the tools of the profiteers, and are associated with deeds that would hardly bear the light, is not the best way to commend a proposal to them. Talk such as this may sound pleasantly in the ears of those who returned him to Parliament, but it is playing the game rather low down to make such speeches here. This is a Chamber where honorable members are supposed to deliberate on measures of importance to the country; and the less frequently disgraceful charges are brought by one member against another, the better it must be for our proceedings, and for the dignity of Parliament in the eyes of the country.

Mr. MAHONY.—Would the honorable member mind saying that to the Prime Minister (Mr. Hughes)?

Mr. FOWLER.—Should it give any satisfaction to the honorable member to know it, I tell him that I have said something of the kind to the Prime Minister on other occasions. I come now to the motion itself. No doubt, the opinions of the President of the Arbitration Court in regard to proposals such as those now before the Committee are of some importance; and as the honorable member for

West Sydney (Mr. Ryan) has said, I indicated, when he was speaking the other night, that it would be strange if the Government had not consulted Mr. Justice Higgins. But we have had the assurance of the Minister (Mr. Groom) that the President of the Arbitration Court has been in communication with the Government in regard to this and another measure recently before the House, and that, so far as they are justified in doing so, Ministers have accepted his suggestions.

Mr. GROOM.—A copy of the Bill was not sent to Mr. Justice Higgins for his views upon it, but the suggestions that he has made from time to time have all been considered.

Mr. FOWLER.—I understand that that is the position; that the Bill has not been submitted to the President of the Arbitration Court for his approval. I do not think it would be right and proper for the Government to submit a Bill to him in that way. I have a great personal regard for Mr. Justice Higgins, but in some respects he seems to me to have made serious mistakes at various times.

Mr. RYAN.—A man who does not make mistakes never does anything.

Mr. FOWLER.—Quite so. But a Government cannot be absolved from responsibility for the measures which it puts before Parliament; and for the Committee to take upon itself to act on the advice of the President of the Court of Arbitration against the Government is to place the Government in an impossible position.

Sir JOSEPH COOK.—And it would drag the Judge into the arena of party politics.

Mr. FOWLER.—Although we, on this side, have been spoken of as the tools of profiteers and capitalists, I received during this evening a telegram from a representative of the employers of Western Australia, informing me that they are very much concerned about this and another industrial measure, and asking me and the other representatives of that State to do what we can to have this legislation improved in the direction of meeting their views. If this is a measure entirely for the benefit of the employers, it is strange that I should receive a telegram of that nature. The fact that the telegram has been sent to me proves the wildness of the charges made by members of the Labour party. In this instance, I shall, without hesitation, support the Government.

Question—That the clause be postponed—put. The Committee divided.

Ayes ..	..	15
Noes ..	..	28
Majority ..	..	13

AYES.

Brennan, F.	Maloney, Dr.
Charlton, M.	McGrath, D. C.
Considine, M. P.	Riley, E.
Cunningham, L. L.	Ryan, T. J.
Gabb, J. M.	West, J. E.
Lavelle, T. J.	Tellers:
Lazzarini, H. P.	Fenton, J. E.
Mahony, W. G.	Watkins, D.-

NOES.

Atkinson, L.	Hill, W. C.
Bayley, J. G.	Hughes, W. M.
Bell, G. J.	Jowett, E.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marks, W. M.
Cameron, D. C.	Poynton, A.
Cook, Sir Joseph	Prowse, J. H.
Cook, Robert	Rodgers, A. S.
Corser, E. B. C.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Fowler, J. M.	Wise, G. H.
Francis, F. H.	Tellers:
Greene, W. M.	Burchell, R. J.
Gregory, H.	Lister, J. H.
Groom, L. E.	

PAIRS.

Anstey, F.	Watt, W. A.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Story, W. H.
Mahon, H.	Gibson, W. G.
Mathews, J.	Chapman, Austin
McDonald, C.	Maxwell, G. A.
Nicholls, S. R.	Jackson, D. S.
Page, James	Weinholt, A.
Tudor, F. G.	Bamford, F. W.
Moloney, Parker	Best, Sir Robert
Makin, N. J. O.	Livingston, J.

Question so resolved in the negative.

Amendment agreed to.

Clause, as amended, agreed to.

Progress reported.

ADJOURNMENT.

MR. A. C. MORLEY.

Motion (by Sir JOSEPH COOK) proposed—

That the House do now adjourn.

Dr. MALONEY (Melbourne) [10.29].—The matter which I wish to bring under the notice of the House on this motion may be of some interest to honorable members. As the member representing an important constituency, I asked a question in connexion with it, and, as a con-

sequence, a little later I received this letter:—

Selborne Chambers,
Melbourne, 6th August, 1920.

Dr. Maloney,
House of Representatives.
Dear Dr. Maloney,

Will you please accept my best thanks for your efforts to keep me before the public at a time when, by accepting a position upon the Royal Commission upon the Basic Wage, I have not only sacrificed my income for the time being, but deprived myself of that publicity which attends the exertions of counsel, thus contrasting, perhaps foolishly, with certain members of Parliament who have recently grabbed an unearned increment.

It is extremely kind of you to be so interested in my humble self, and in appreciation of your action I enclose herein a contribution which, I regret, owing to the limitation of the coinage, it is impossible to decrease.

Yours truly,
ALLAN C. MORLEY.

The enclosure was a halfpenny stamp. This communication, honorable members may like to know, was sent because I directed attention to the fact that Mr. Morley broke the secrecy of the ballot at the last election, although a protest was made by the poll clerk, the officer in charge of the table at which he received his ballot-paper, and by the scrutineer, and he used words to this effect at the time—

I do not care a damn who sees how I vote! You can see it, if you like.

This was entered in the memorandum of the presiding officer, and the poll clerk and the scrutineer signed the statement. I took no action in the matter until my party asked me why a trained man and barrister should be allowed to escape for violating the secrecy of the ballot, whereas a mother has been punished for asking her daughter to sign a card applying for a vote.

Mr. MCGRATH.—Has Mr. Morley been prosecuted?

Dr. MALONEY.—No.

Mr. MCGRATH.—It is about time that he was.

Dr. MALONEY.—I sent the following reply to the note I received from Mr. Morley:—

House of Representatives,
10th August, 1920.
A. C. Morley, Esq.,
Barrister and Solicitor,
Selborne Chambers, Melbourne.

Dear Sir,

Yours 6th received. Enclosed resolution has been carried at several meetings. It speaks for

itself. If the halfpenny is sent as acknowledgement of your wrong act, and as damages, what about costs? But, as I consider it is sent in contempt, and in case it comes from tainted money, earned by trying to get guilty criminals off, and thus loosing them on the community to commit further crimes, for, I understand, you never ask where the money for such cases comes from that you receive as fees, nor have I learnt of your helping them to live better lives, I have therefore decided to try and purify it by adding £1 and sending it as a contribution in our joint names to a hospital, receipt for which I enclose. If you still think you are right in your action, and you want satisfaction from me, you have only to ask.

Yours faithfully,
W. MALONEY.

I enclosed my receipt from the hospital; but a difficulty arose in connexion with the contribution. The secretary of the hospital pointed out to me that the odd half-penny would make it awkward to balance the hospital books, and so I was compelled, in addition to the £1, to add another half-penny to my share of the contribution. I gave Mr. Morley a chance to reply to my communication, but he has not done so.

I wish honorable members to recollect that I did not move in this matter until asked to do so by my party. I was disposed to treat Mr. Morley with contempt; but being called upon to act, I did so. The following is the resolution that was carried at several meetings:—

That this meeting strongly protests against Mr. Morley, barrister and solicitor, being permitted to escape punishment for flagrantly, insolently, and impudently breaking the law pertaining to the secrecy of the ballot at the last Federal general election.

In sending this resolution to Mr. Morley, I added—

Kindly note.—This resolution was carried unanimously at several meetings following the request made to me by my party to endeavour to have Mr. Morley prosecuted for seeking to destroy the secrecy of the ballot, in view of the fact that so many people have been prosecuted for trifling mistakes.

Mr. RYAN.—Why was he not prosecuted?

Mr. McGRAH.—Why were not persons prosecuted in connexion with the Ballarat election, where worse offences were committed?

Dr. MALONEY.—I think I have rightly answered Mr. Morley's impudent insolence in sending a halfpenny as a

contribution to members who voted as they thought right. My answer to him is that I do not know of any barrister who has drawn more money from the Government of the day. As Mr. Morley says that he has lost his chance of advertising by accepting the post he at present fills as a member of the Basic Wage Royal Commission, I propose, as member for the city of Melbourne, to ask how much money Mr. Morley has received, and how many days he has attended in Court?

Question resolved in the affirmative.

House adjourned at 10.35 p.m.

Senate.

Thursday, 26 August, 1920.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

PAPERS.

The following papers were presented:—

Invalid and Old-age Pensions Act.—Statement re Pensions for the twelve months ended 30th June, 1920.

Public Service Act.—Promotion of M. J.

O'Flaherty, Department of the Treasury.
War Service Homes Act.—Land acquired at Daylesford, Victoria.

POSTMASTER-GENERAL'S DEPARTMENT.

INSPECTION OF DOCUMENTS.

Senator THOMAS.—I ask the Minister representing the Postmaster-General whether he is in a position to supply an answer to the remarks I made on the Supply Bill with respect to the right of honorable senators to see documents in the Department, and with respect to the reply concerning a book which I received from the Department, and which I consider was not a correct reply?

Senator RUSSELL.—I was expecting that the honorable senator would take further action in the matters he has referred to. I shall look into the questions raised, and will try to let him have an answer on Wednesday next.

REPATRIATION.

LAND SETTLEMENT OF RETURNED SOLDIERS.

Senator FOLL.—I ask the Minister for Repatriation if he is in a position to supply an answer to the question I brought under his notice some time ago as to the desirability of making known at the various offices of his Department the facilities afforded for land settlement in the different States?

Senator MILLEN.—I have nothing to add to the statement I previously made to the effect that communications have been sent out with a view to inviting the State Governments to consider the honorable senator's suggestion.

NORTHERN TERRITORY.

EWING COMMISSION REPORT.

Senator ELLIOTT asked the Minister representing the Minister for Home and Territories, *upon notice*—

1. In view of the complaints made by the late Administrator of the Northern Territory by Judge Bevan and Mr. H. E. Carey, regarding the report of the Royal Commissioner on the Northern Territory Administration, and having regard to the fact that, in the still more recent inquiry into the Industrial Workers of the World case, the finding of the Honorable Mr. Justice Ewing, differing, as it does, from those of other Judges on the same case, gives rise to some doubt as to the capacity of Mr. Justice Ewing to weigh the evidence correctly, do the Ministry intend to order a further Commission to review the evidence taken in the former case?

2. What steps do the Ministry propose to take to abolish the practice of imprisonment for debt under the laws of the Northern Territory, mentioned in the Commissioner's report?

Senator RUSSELL.—The answers are—

1. No.
2. As the laws of all Australian States make provision for imprisonment for debt in certain cases, it is not proposed to abolish the practice entirely in the Northern Territory, but an Ordinance is now being prepared limiting the periods of such imprisonment.

INCOME TAX.

ASSESSMENT OF INCOME FROM PEACE LOANS.

Senator J. F. GUTHRIE asked the Minister representing the Treasurer, *upon notice*—

In connexion with taxation, is it a fact that a person deriving an income of £300 per annum from the Second Peace Loan, and, say, £700

from personal exertion, is assessed for income tax purposes on the £300 as if he had £1,000 per annum from property, and on the £700 as if he had £1,000 per annum from personal exertion?

Senator E. D. MILLEN.—Yes. This is in accordance with the third schedule of the Income Tax Act 1919.

WAR GRATUITY BONDS.

TRANSFERS.

Senator PRATTEN asked the Minister representing the Treasurer, *upon notice*—

In view of the increasing number of war gratuity bondholders advertising in the public press for cash offers for their bonds—

(a) Are any regulations current by which transfers from holders to speculators are illegal?

(b) Have any steps been taken by the Treasury to safeguard the par value of the soldier's holding?

Senator E. D. MILLEN.—The answers are—

(a) Yes. The regulations provide that the bonds are not transferable except with the consent of the Secretary to the Treasury. Consent is not given to speculators, and a transfer made without consent is not valid.

(b) Yes. Consent to a transfer is not given unless the bondholder receives consideration in cash, or in cash and goods, equal in amount to the full face value of the bond plus accrued interest. Applications are carefully scrutinized, and transfers to money-lenders, pawnbrokers, and financial agents are not allowed.

Senator PRATTEN.—Arising out of the answers given to my questions, I think it would be very desirable—

The PRESIDENT (Senator the Hon. T. Givens).—Order! It has already been laid down that it is not competent for an honorable senator to ask questions arising out of the answers given to questions on notice.

Senator PRATTEN.—I may be permitted to say that I consider it is very desirable that the information just given should be scattered throughout the length and breadth of the Commonwealth.

NAURU ISLAND AGREEMENT BILL.

PAYMENTS UNDER AGREEMENT.

Senator PRATTEN asked the Leader of the Government in the Senate, *upon notice*—

1. Has there been any departure from the terms of the Nauru Island Agreement Bill passed by this Chamber in the last Parliament?

2. Have arbitration proceedings been completed in connexion with fixing the amount to be awarded to the Pacific Phosphate Company for its holdings in Nauru Island?

3. If so, what was the amount of compensation paid, where was the money found, and when was it appropriated?

4. Does this amount include the rights of the company in Ocean Island?

Senator E. D. MILLEN.—The answers are—

1. No.

2. Arbitration proceedings were unnecessary, as the agreement was reached by the negotiations between the Governments concerned and the Pacific Phosphate Company.

3. Australia's share of the compensation paid was £1,470,000, which was charged against the War Loan Fund.

4. Yes.

AUSTRALIAN IMPERIAL FORCE.

DIVISIONAL MEMORIALS IN FRANCE.

Senator KEATING asked the Minister for Defence, upon notice—

1. Is the completion of the Australian Imperial Force divisional memorials in France being held up owing to the Commonwealth having declined permission for the affixing of French tablets similar to the English bronzes in the memorials?

2. What are the reasons for declining such permission?

Senator PEARCE.—The answer is—

1 and 2. The memorials erected in the name of the First, Third, Fourth, and Fifth Divisions of the Australian Imperial Force were practically completed, some time ago, in accordance with the approved plans. The completion of the Second Division memorial awaits approval to the design of the bronze figure and panels, which has not yet been submitted to the Government by the responsible officers. No provision was made in the plans for inscriptions in the French language, and the question has only now been raised through the High Commissioner's Office. It has been decided to approve of this on certain conditions.

LEAVE OF ABSENCE.

SENATOR ADAMSON.

Motion (by Senator FOLL) proposed—

That Senator Adamson be granted two months' leave of absence on account of ill-health.

The PRESIDENT (Senator the Hon. T. Givens).—Before putting the motion, I desire to intimate to honorable senators that Senator Adamson has asked for leave of absence consequent upon the urgent advice of a distinguished medical specialist in this State, who says that

absolute rest is essential to his restoration to health. He is exceedingly disappointed, and regrets very much that he has been compelled to follow this course before he has had an opportunity of taking a really active part in the business of the Senate. Senator Adamson desired that this should be known; and I am sure that honorable senators will join with me in hoping that the holiday will have the effect of fully restoring him to health.

HONORABLE SENATORS.—Hear, hear! Question resolved in the affirmative.

BUTTER AGREEMENT BILL.

Bill (on motion by Senator RUSSELL) read a third time.

WAR SERVICE HOMES BILL.

In Committee (Consideration resumed from 25th August, *vide* page 3782):

Clause 10—

After section 28 of the principal Act the following section is inserted:—

28A. (1) Notwithstanding anything contained in this Act, the total cost to the Commissioner of any dwelling-house erected by him, or the amount of any advance made, in pursuance of this Act, may, if, in the opinion of the Commissioner, the circumstances of any case justify the excess, exceed Seven hundred pounds, but shall not exceed Eight hundred pounds.

(2) Notwithstanding anything contained in this Act, where the Commissioner has erected a dwelling-house at a cost exceeding Seven hundred pounds, or made an advance exceeding that amount, he shall require, in addition to any other deposit or security required under this Act or the regulations, from the person purchasing that dwelling-house or receiving that advance, a deposit or security to the extent of 15 per centum of the amount by which the cost or advance exceeds Seven hundred pounds.

Upon which Senator FOLL had moved, by way of amendment—

That sub-clause 2 of the proposed new section be left out.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.8].—Honorable senators will remember that we were considering this clause yesterday when progress was reported. During the interval I have had an opportunity of reconsidering the matter, and, in view of other provisions empowering the Commissioner to safeguard advances which he may be called upon to make, I am

now quite willing that sub-clause 2 of proposed new section 28A should be deleted. Senator Elliott also suggested an amendment, to which I took some exception; but, upon looking into the draft of the amendment, I think I am able to say, without hearing it formally submitted, that his amendment is one with which I can also concur.

Amendment agreed to.

Senator ELLIOTT (Victoria) [3.10].—I move—

That the following new sub-clause be inserted—

(2) The provisions of this section shall extend to dwelling houses which are, at the commencement of this section, in course of erection, and (a) which are erected by the Commissioner, or (b) in respect of which an advance has been made by the Commissioner.

The proposed new sub-clause is intended to meet the case of men who have been compelled, through force of circumstances, to commence building on their own responsibility, and who have entered into mortgages or hire purchase agreements without being able to await the passing of this measure. The amendment seeks to place such men on the same footing as those who will have been able to wait long enough to take advantage of this legislation.

Senator NEWLAND (South Australia) [3.12].—I am quite in accord with the purpose of the amendment, but I am concerned as to whether it will apply to South Australia, in which State the Commissioner is not erecting homes for returned soldiers, but where these activities are being carried on, for the State Government, by the State Bank authorities. Will the amendment extend the same facilities to returned soldiers in South Australia as to those in other States?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.13].—Obviously, the amendment will not do so. No Federal Act can limit or extend the activities of a State authority. The South Australian Government will retain control of the houses erected for returned soldiers in that State, and the Government can build them under just such conditions as it may deem fit.

Senator ROWELL.—But does not the Federal Government provide the money?

Senator E. D. MILLEN.—No; we are doing nothing in respect of war service home-building in South Australia, ex-

cept that we are negotiating with the State authorities to prevent a clash of activities. At present the South Australian Government is carrying on the work, into which it entered before the Commonwealth authorities were prepared to do so. The amendment will apply only to those homes which have been erected by the Commissioner.

Senator NEWLAND.—There is nothing, of course, to prevent the South Australian Government from advancing another £100 if that should be deemed necessary?

Senator E. D. MILLEN.—Nothing that we can do can either assist or prevent any action being taken by the South Australian Government.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 11 (Discharge of total remaining liability of purchaser or borrower).

Senator PRATTEN (New South Wales) [3.15].—I desire information concerning the principles that are to guide the Commissioner where, for example, a soldier who has a little money of his own desires to purchase a house that is worth more than the actual amount being advanced by the Commissioner—say, up to £1,000, or £1,200. Provided that the house has a value over and above that fixed by the Department, would the Commissioner still advance up to £700 or £800 for the returned soldier concerned?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.16].—The honorable senator misunderstands the purpose of the clause. It has nothing to do with the purchase of homes, or with applications for, or the obtaining of, advances. In the original Act it was provided that a returned man could make periodical payments in liquidation of his debt; the actual wording of the Statute was phrased on the assumption that returned men would only make the necessary compulsory repayments, and at the periods stipulated, right up to the end of their term of indebtedness, when—having paid off the whole of the amount due—they would be entitled to secure the deeds from the Commissioner. It was seen at once, however, that some men would desire to anticipate the extended period provided for re-purchase. There were men who would desire to repay more than the due quota at the stipulated periods and, obviously, those extra payments would shorten the period of indebtedness. The

original measure provided no machinery, however, by which a man could secure the discharge of his obligation and secure his title deeds before the lapse of the full period. The purpose of this clause is to enable the Commissioner, after a returned soldier has paid off all that he is owing, to hand the man his deeds.

Senator PRATTEN (New South Wales) [3.18].—I thank the Minister for the explanation, but I again raise a point that is of concern to many returned soldiers who may desire to build or purchase a superior type of home. Is there any objection on the part of the Commissioner to helping a man to the extent of £700 or £800 to procure a house of a type superior to that being ordinarily built by the Department?

Senator E. D. MILLEN.—The Commissioner is entitled to build a mansion for a returned man, provided that the latter can find the difference between the amount of money advanced by the Commissioner and the cost of the structure itself; and provided, further, that the Commissioner is satisfied that the house will furnish ample covering for the amount of his advance.

Senator SENIOR.—Has the term of five years been inserted in the proviso with a view to preventing trafficking?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.19].—That is so. I mentioned, when introducing this measure, that a tendency had been discovered to traffic, and that unless some limitation were provided—as in this clause—a returned man for whom a home had been built would be free to go to the Commissioner with a lump sum sufficient to discharge his indebtedness, and so secure his deeds, knowing full well that the moment he received his papers he would be able to sell at an enhanced price. This clause does not seek to prevent a legitimate transfer, but it proposes to give the Commissioner the right, if he has suspicions concerning the transaction, to refuse to accede to a transfer for five years.

Senator PRATTEN (New South Wales) [3.20].—A matter which I desire to raise has to do with the arrangement which was first entered into by the Commonwealth Bank, in Sydney, to avail itself exclusively of the services of Messrs. Kirkpatrick for the erection of war service homes in New South Wales. It was pointed out at the time that that arrange-

ment would necessitate the payment by the Commission of a sum estimated at about £30,000 to one firm of architects. There is a strong feeling in Sydney, particularly amongst architects who are returned soldiers, that this was a piece of favoritism that should not have been shown by the Commission at that time.

The CHAIRMAN (Senator Bakhap).—Will the honorable senator explain how he intends to connect his remarks with the clause?

Senator PRATTEN.—I have explained that the liability of the soldiers includes all the costs of the building, and these in their turn include architects' fees. I am seeking information on this clause from the Minister, who, I hope, will be able to inform me that the arrangement with Messrs. Kirkpatrick, architects, of Sydney, has been cancelled, and that the new War Service Homes Commission will, if architects are required, give a fair deal all round to the many capable architects who have served at the Front.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.22].—Senator Pratten's remarks are invariably interesting, but to me on this occasion they are pathetically disappointing. It is a disappointment to me, after I have on several occasions informed the Senate that the agreement has been cancelled, to find that any honorable senator is still uninformed on the point, and deems it necessary to raise the question again. It is not often I have a chance of giving Senator Pratten any information, and for that reason, perhaps, I should withdraw what I have said, and thank him for the opportunity. The agreement with the Commonwealth Bank has been terminated. The arrangement made with the Bank and its architects was not only a matter for which I decline any responsibility, but, as I previously informed the Senate, as regards the agreement which has now ceased to exist, but which is still operative so far as the 23rd clause in it is concerned, I have demurred to the payment to Messrs. Kirkpatrick, and have remitted the matter to the arbitration of our Auditor-General, as provided in the agreement. As to the future employment of architects, the Commissioner, who is now doing the whole of the building, will be responsible; but he is quite satisfied that he can do the architectural work much more economically by his own paid staff than by letting it to individual

architects outside. It is costing him now a flat rate of a little over £1 to provide plans and architectural supervision. No architect in private practice would take the work for that sum. If the Commissioner abolished his permanent staff, in order to let the work out to private architects, whose nominal charge is 4½ per cent., 5½ per cent., and 6 per cent., according to the size of the work, not one of them would take it on a flat rate anywhere approaching the figure at which the Commissioner states that he can now get the work done. I am satisfied that the Senate will support the Commissioner in the line of policy he has adopted, the main object being that as little as possible shall be charged to the soldier for the work that is being done for him.

Senator ELLIOTT (Victoria) [3.24].—Will the Minister explain the objection entertained by the Deputy Commissioner in Victoria to soldiers engaging their own architects to overlook the work and report on it?

Senator E. D. MILLEN.—There is no objection, provided that the soldiers will pay for it.

Senator ELLIOTT.—The fact remains that the Deputy Commissioner does object.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.25].—I give the honorable senator my assurance that any soldier who likes, out of his own pocket, to pay for extra architectural assistance can get it; but what has been done is that the soldiers have employed their own architects and sent the bill in to the Commissioner. The Commissioner says that he has an architectural staff, which is doing the work well and cheaply, and that if the soldiers want to employ outside assistance they can do so, but they must pay for it.

Senator PRATTEN (New South Wales) [3.26].—I thank the Minister for the information he has given the Committee, particularly the new information regarding the employment of architects, which has been given for the first time to-day.

Senator E. D. MILLEN.—Not the first time to-day.

Senator PRATTEN.—I refer to the new information about outside architects and returned soldiers. At the same time, the Minister has not taken us fully into his confidence as to the arbitration now going on between the Auditor-General

and the firm of architects that I have named. Can he state whether they have made their claim in full on the agreement, whether the work has been done or not, whether they stand entirely on their legal rights, and not on a fair rate for work done, and what the extent of their claim is in connexion with the agreement made with them by the Commonwealth Bank? With regard to the second point I raised about outside architects, it will be generally satisfactory to the architectural world to know that the War Service Homes Commissioner is keeping the cost of houses to the soldiers down as low as possible. I quite agree, seeing that there are, perhaps, not more than a dozen types of these homes being put up, and that the standardization is now complete, that the cost should be nominal.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.28].—I am sure that Senator Pratten did not mean to suggest anything sinister when he said I was not frank with the Committee as to the position of the arbitration proceedings. It was not through any want of frankness, but I did not know that the Committee desired a detailed statement on the matter. The position is that the Commonwealth Bank have lodged their claim for payment for the service.

Senator PRATTEN.—Do you mean the architects?

Senator E. D. MILLEN.—I know nothing of the architects. The agreement was with the Bank, which undertook to build the houses under it. They made their own arrangements with the architects, and under the terms of the agreement sent in their bill for services rendered. Included in that bill was the charge for their architects at the rate of 3½ per cent. which the Bank proposed to pay them. I have demurred to that payment. Under clause 23 of the agreement, it was provided that if the Bank submitted any account for expenses which was held to be unreasonable—this meant held by the Commissioner or the Minister to be unreasonable—its reasonableness or otherwise should be referred to the Commonwealth Auditor-General, whose decision was to be final. The matter is now under reference to that gentleman, and the exact position, so far as I am aware, is that the Bank have presumably presented their

case in a written statement, and the Commissioner has presented his, buttressed by certain letters from myself. I presume that the Auditor-General's decision will not be long delayed.

Senator FOLL.—Do the Sydney architects do the work for houses in North Queensland?

Senator E. D. MILLEN.—Does the honorable senator mean houses built by the Commissioner?

Senator FOLL.—No.

Senator E. D. MILLEN.—Then, if the honorable senator means those built by the Bank, the operations of the Bank to-day are confined to clearing up the work that was in hand, or for which contracts had been accepted at the time the agreement was terminated. The Bank are not taking on any fresh work.

Senator FOLL.—Then, if a man wants a house built in Cairns, Sydney architects do not draw up the plans?

Senator E. D. MILLEN.—No. He lodges his application in Brisbane, and it is dealt with in Brisbane by the regular staff of the Housing Commission.

Clause agreed to.

Clause 12 agreed to.

Clause 13 (Commissioner may call up advances where security transferred to ineligible person).

Senator PRATTEN (New South Wales) [3.30].—I should like to know from the Minister (Senator E. D. Millen) exactly what this proposal means. The sidenote presupposes that before the home is paid for, and possibly when a small amount is paid on it, the soldier shall have the right to sell his equity in it for any reason that he may think proper. The desire of this Parliament is to benefit our soldiers, and we all know that there is a number of them who require to be protected from themselves. With this thought in my mind, I ask the Minister what is the full meaning of the clause.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.31].—I recognise that there is a little difficulty in connecting an amending Bill with the principal Act. But if Senator Pratten will refer to section 35 of the principal Act, he will see that sub-clause *a*, which honorable senators are now asked to adopt, is covered by sub-section

1 of section 35. That sub-section reads—

So long as any land or land and dwelling-house is subject to a contract of sale, mortgage, or other security in accordance with this Act, a transfer of that land or land and dwelling-house, or of any estate or interest therein shall not have any force or effect unless it—

- (a) arises through the operation of any law relating to bankruptcy or insolvency; or
- (b) is made to a devisee by a person acting in the capacity of executor or administrator of the purchaser as borrower; or
- (c) is made with the consent in writing of the Commissioner.

It is quite clear that in such circumstances there is the possibility of a house which was built for a soldier being transferred to a citizen. The purpose of the clause which we are now considering is to make it perfectly plain that in such cases the Commissioner may, by giving the transferee written notice, call up the whole of the moneys secured under any contract of sale, mortgage, or other security held by the Commissioner in respect of the land or land and dwelling-house, and that thereupon those moneys shall become due and payable. The sole object of the amendment is to prevent trafficking in these houses, and I am sure, therefore, that it will command the sympathy of honorable senators generally.

Clause agreed to.

Clause 14—

After section 36 of the principal Act the following sections are inserted:

"36A. Where a person, to whom any land or land and dwelling-house has been sold or to whom an advance has been made, ceases to be an eligible person, the Commissioner may, by notice in writing to that person, require repayment of the whole of the moneys secured under any contract of sale, mortgage, or other security held by the Commissioner in respect of the land or land and dwelling-house, and thereupon those moneys shall become due and payable."

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.33].—I ask the Committee to negative proposed new section 36A. Although that provision was intended to achieve the same object as the other proposed new sections of this clause, it has been found that under it there are great possibilities of hardship arising in quite a number of genuine cases. For in-

stance, a soldier who married to-day would be eligible to obtain a war service home, but if to-morrow he became a widower he might be deemed to be ineligible. It is not our desire that a soldier who has been unfortunate enough to lose his wife shall also be deprived of his right to continue to occupy one of these homes. I prefer to run the risk of a few ineligible persons getting homes of this kind to homes being taken from soldiers who were eligible to secure them. I therefore move—

That proposed new section 36A be left out.

Amendment agreed to.

Clause, as amended, and title, agreed to.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.36].—I move—

That clause 3 be reconsidered.

I ask the Committee to adopt this course, because of the promise which I made that the clause would be redrafted so as to overcome some of the difficulties to which reference was made during a previous debate.

Question resolved in the affirmative.

Clause 3—

After section 14 of the principal Act the following section is inserted:—

14A. Before exercising any power under this Act which involves the expenditure of more than £5,000, the Commissioner shall submit his proposal for the approval of the Minister.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.37].—In this clause it is proposed to place on the Commissioner in his engagements for the purchase of material, the same limitation as is imposed upon him in regard to his purchase of land. That is to say, he is to have a free hand up to an expenditure of £5,000, but beyond that point he must obtain Ministerial approval. I move—

That all the words after "which," line 4, be left out.

If this amendment is agreed to, I shall move the insertion of the words—

"in connexion with the acquisition of land or building material, or with any contracts incidental thereto, the Commissioner shall if the exercise of the power."

The proposed new section will then read on as printed. I think that these words will sufficiently cover what was intended to be achieved.

Senator PRATTEN (New South Wales) [3.39].—Yesterday when I directed the attention of the Minister to the loose wording of this clause, he kindly promised to give the matter his consideration. That consideration has taken the form of the amendment which he has now submitted, and which is intended to limit the power of the Commissioner to the purchase of land or materials in excess of £5,000 in value, without Ministerial approval. During the past few weeks I have not been able to closely follow the proceedings of this Parliament, but I take it that the proposed limitation will be a satisfactory one to the Minister?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.40].—I must say frankly that I would rather be saddled with no responsibility in connexion with this matter. But as a Minister I feel that it is not in conformity with parliamentary procedure that there should be no check on the Commissioner, and no opportunity for knowing precisely what is going on in the Department. Personally, I would be very much happier if the responsibility for all these matters were thrown upon the Commissioner. I hardly think that a safe proposition. I am now submitting a proposal under which the Commissioner will have a free hand up to £5,000, and beyond that amount will have to obtain the approval of the Minister.

Senator PRATTEN.—In regard to the expenditure on anything?

Senator MILLEN.—Not on anything, as it is not proposed that the Minister shall interfere in connexion with the expenditure on the building of houses, but merely when the Commissioner sets out to acquire land and material. There is a distinction between the acquisition of material and the land and expenses incurred in connexion with building. It is not proposed to give the Minister power to veto the Commissioner's proposals in connexion with building houses, but only when entering into contracts for the acquisition of material.

Senator PRATTEN.—In one transaction?

Senator E. D. MILLEN.—Yes; although over a period of time.

Amendment agreed to.

Amendment (by Senator E. D. MILLEN) proposed—

That the following words be inserted:—"in connexion with the acquisition of land or building material or with any contracts incidental thereto, the Commissioner shall, if the exercise of the power,"

Senator FOLL (Queensland) [3.43].—The Minister has referred to contracts extending over a certain period of time, and when the Government have taken an option over the premises. Does this amendment cover cash purchases of material?

Senator E. D. MILLEN.—Undoubtedly.

Amendment agreed to.

Clause, also verbally amended, and agreed to.

Bill reported with amendments.

INDUSTRIAL PEACE BILL.

SECOND READING.

Debate resumed from 20th August (*vide page 3722*), on motion by Senator RUSSELL—

That this Bill be now read a second time.

Senator NEWLAND (South Australia) [3.45].—When the discussion on this Bill was adjourned last week, it was felt by myself and other honorable senators that a further consideration of its provisions would be advantageous, and on that account the Vice-President of the Executive Council (Senator Russell) agreed to an adjournment. Last week we had the privilege of listening to two very excellent speeches on the general causes of industrial unrest over a lengthy period. It is not my intention to go over much of the ground that has already been covered; but when a measure of importance to the whole community is before us, honorable senators should give it the fullest consideration, in an endeavour to ascertain the causes of industrial unrest, and suggest, as far as possible, measures for the settlement of the disputes which are so prevalent to-day.

For approximately thirty years, industrial arbitration had been the ambition of the workers in the interests of industrial peace; and I can remember endeavouring, with many others, in the early struggles of the Labour party, to induce the State Governments of the day to pass legislation whereby industrial disputes

might easily be settled. We can trace the commencement of a serious attempt to prevent industrial disturbances by means of Arbitration Courts and Wages Boards to the maritime strike which occurred over thirty years ago. At that time our opponents asked the industrialists, through their organizations, why they did not turn their attention to politics instead of assisting strikes. The advice was taken, and the members of the Labour party turned their attention to politics, with the result that many of them were returned to the State Parliaments. We thought then that our dreams concerning arbitration would speedily be realized, and that in the course of a very few years, through legislative enactments, strikes would be relegated to the region of things soon to be forgotten. Unfortunately, however, our dreams have not been realized, although we have had Wages Boards and Arbitration Courts, and the fortunes of the Labour party from then until the present time have been of a varying character. The great triumph, of course, was the establishment of the Federal Arbitration Court, and there is no doubt, whatever we may say to the contrary, that the Court has been responsible for the settlement of a large number of industrial disputes, and has been instrumental in preventing a good many more. However, like many other institutions, it has apparently reached the limit of its practical usefulness. Some weeks ago, honorable senators were furnished with a return showing the number of cases awaiting settlement in the Court. We know that industrialists have become impatient at the Court's delays. Those of us who watch the progress of industrial events can see no immediate prospect of many of the cases before it being dealt with by the Court. Without in any way reflecting upon the Arbitration Court, it may be said that its methods are too cumbersome, too slow, and altogether too costly. Notwithstanding the good work which the Court has done, it is now considered by both employers and workers to be out of date, and to a large extent useless for the early settlement of industrial disputes. In other directions the Arbitration Court has not been a success because of the constitutional limitation upon the powers of the

Commonwealth. This has prevented the Court from doing the good work that it was hoped it would be able to perform, and it has been one of the most important causes of its failure. Before I leave the Arbitration Court and its work, I should like to say that I have a very great admiration for much of the work it has done, and anything I may have said in condemnation of it has been due in a large measure to the fact that our constitutional limitations have been responsible for its failure.

During recent years industrial unrest and industrial problems have been intensified and multiplied by the war. We had hoped that, during the period of the war, every man would be extended to his fullest capacity in order to defeat the enemy at home and abroad. But some of the worst industrial troubles of our history occurred during the continuance of the war. As a result, the difficulties of the Arbitration Court were increased, and it has been brought home to every man who looks for the welfare of this country that something must be done to give us relief from industrial unrest. The fact that for five years the workers of the world were transferred from avenues of production to those of destruction led to a shortage in the commodities required by the people generally. This, in turn, led to high prices; and, added to this, money has been more plentiful than ever before. We have had a shortage of commodities, high prices, reckless buying, and consequent waste, and all these things have contributed to the bringing about of industrial unrest. The worker, feeling naturally that he is not getting sufficient of this world's goods to meet the added cost of the commodities he requires, has, from time to time, asked for higher wages, until honorable senators will, I think, agree with me that in this country we are near the time when the limit of our capacity to meet wages and cost of production will have been reached, when it is remembered that we are in competition with industries carried on outside Australia in countries where labour is cheaper than it is here.

We have just been discussing a measure to provide cheaper homes for returned soldiers; but the people generally, as well as the returned soldiers, require cheaper homes. Every person who to-day has to

consider the building of a home is confronted with a shortage of material and labour, and honorable senators are aware that in almost every industry associated with the building of homes there have been strikes in some part of Australia almost every week.

Senator WILSON.—And dear money on top of that.

Senator NEWLAND.—That is so. We hear a great deal about profiteering in connexion with industrial unrest, and I have no doubt whatever that profiteering exists. Senator J. F. Guthrie only the other day pointed out the extraordinary discrepancy between the cost of making woollen cloth in the woollen factories, and the price charged for the finished article. Something must be done to put an end to that kind of thing. I dare say that profiteering, or the suggestion of it, has been responsible for more industrial unrest than anything else since the war began. In the Bill now under consideration an attempt is made, which I hope will be successful, to put a check upon profiteering.

Senator BENNY.—Prices cannot be fixed under this Bill.

Senator NEWLAND.—I was coming to that. Whatever legislation this Parliament may pass must be within the restrictions imposed by the Constitution. In this connexion members of this Parliament, of the Labour party, of the manufacturing community, and the general public must take their fair share of responsibility for the existing limitations of the Constitution. When it was pointed out that in order to secure a greater measure of industrial peace it was necessary that this Parliament should be given extended powers, persons belonging to every section of the community took a stand against the proposals that were made to extend those powers. To-day we are tied hand and foot by constitutional limitations, and every section of the community must bear a share of the blame for any failure in the effective operation of the measure now under consideration, due to that fact.

There is a growing tendency, which unfortunately is encouraged by certain sections of the community, towards a feeling of mistrust, and even of hatred, between employers and employees. This is most deplorable. We recall the old days when there was a perfect understanding

between employer and employee, and we hope that as a result of the operations of this Bill they will again be brought more closely into touch with each other. I believe that the Councils and Tribunals to be established under this Bill will have the effect of enabling the employees to better understand the difficulties of employers and their industry than they have hitherto done, and will also give the employers a better idea of the requirements and aspirations of their employees. Whilst at the present time both sections are equally to blame for the bad feeling that exists between them, I am hopeful that by the operation of this Bill that bad feeling will be removed, and if that be the case we shall be a step further towards industrial peace.

Much as we admired the Commonwealth Conciliation and Arbitration Act, and high as our hopes were concerning it, I believe that the Bill now before the Senate will be found to be a better measure for bringing employers and employees more closely into touch with each other. I consider this Bill one of the wisest and most liberal of its kind ever introduced into any Legislature in the world. I know of no measure that approaches it as an anxious, honest and earnest attempt to bring the two conflicting parties—the workmen and the employers—together. If we can get them to come together we shall have gone a long way towards the settlement of industrial disputes.

I am not so optimistic as to think that this Bill will provide for perfect industrial peace. No man can promise that so long as human nature is what it is. Every man has implanted in his soul the desire to do better for himself, and the manner in which most of us attempt to do better for ourselves is by acquiring a little more of this world's goods against a time when our labour will no longer support us. So long as this desire of the individual to better himself exists we cannot look for perfect industrial peace. But this Bill provides a common meeting place for both parties. They can sit around a table and discuss their affairs, and by that means arrive at an understanding acceptable to both sections which must make for the prosperity of this country.

I believe that under this Bill many of the technicalities that seem to hedge the Arbitration Court around will be avoided,

Senator Newland.

and men will be able to discuss their grievances as sensible men should. Whilst this measure will not carry us at once to the promised land, it will provide a fairly straight and smooth pathway to that industrial land of promised peace to which so many of us have been looking for a very long time. There are difficulties associated with the administration of this measure which can be foreseen, while, at the same time, we are not anxious that it shall be delayed in coming into operation. One such difficulty has to do with the question of cost of administration. The item of expense has been one of the chief troubles arising from our arbitration legislation. This Bill makes no provision to meet the costs involved by parties to a dispute. We have to presume that employers and employees will still be called upon to bear their own expenses. The Government would do wisely to undertake to discharge all costs arising from resort to the Tribunals which are to be created by this Bill. Hitherto, the community has had to pay for strikes. We cannot estimate the cost of a strike in pounds, shillings and pence. There was recently an announcement in the press to the effect that, during the past year or two, something like £7,000,000 had been lost in wages owing to strikes. But what those strikes may have cost the general community no one can estimate. If the Bill is to achieve that which is hoped for it, the Government should undertake to meet the costs of parties, taking good care, of course, to keep a careful check upon expenditure, and to see that no money is wrongly disbursed. It would pay the country over and over again if the Government accepted this principle; and, further, it might induce certain organizations to confer with a view to overcoming trouble when, otherwise, they might not hesitate to precipitate a strike.

Senator HENDERSON.—Would not such a concession tend to increase the desire on the part of various people to bring about a dispute, seeing that there would be no financial responsibility entailed?

Senator NEWLAND.—I do not see that it would.

Senator RUSSELL.—The honorable senator should not lose sight of the fact that if the Commonwealth Council perceives certain conditions tending to create financial disturbance it can inaugurate an in-

quiry, and so avoid what might prove to be a costly upheaval.

Senator NEWLAND.—That is so, and the Minister has mentioned one of the most attractive features of the Bill. Naturally, if an authority created by this measure could step in, before trouble had actually occurred, the cost both to the parties involved and to the general community would be infinitely less.

Senator RUSSELL.—There is this further consideration, that no members of the legal profession will be permitted to take a hand in proceedings. That in itself should be a factor in keeping down expense; and then there is to be power given for the awarding of expenses according to the discretion of the Chairman.

Senator NEWLAND.—But it is still intended, I take it, that such costs as may be awarded will be given against either claimant.

Senator WILSON.—If the Government were to undertake to pay costs, would that not create a tendency to prolong an investigation?

Senator DE LARGIE.—And also congest business tremendously by the fact of all sorts of parties rushing in.

Senator NEWLAND.—There would be no fear, I think, if the Government were to exercise full and proper control. It may be taken for granted that, if time can be saved by the exclusion of members of the legal profession, costs will be reduced; but there have been men appearing in the Arbitration Court on behalf of various organizations who have proved worthy disciples of the wordiest lawyers. My point is that if, by the Government undertaking to pay costs of proceedings, parties can be induced to confer before strife has been precipitated, the money spent will be as nothing compared with that which will have been saved.

I am aware that this Bill is meeting with a certain amount of opposition, both from industrialists and from a section of employers. We are now living in a new world. If we are to make good as a nation, every section of the community must put aside the ideas held in past years. I would say to employers who are finding fault with this Bill that it is a step, not in advance of the times, but in keeping with modern progress. Conditions have so varied in the past few years that every one must look upon the rights, both of the workers and of their

employers, from a fresh angle. We should be careful, in dealing with this measure, not to say anything which might mar the harmony hoped for as an outcome of its provisions. Honorable senators should not say anything either hurtful or injudicious. We should not make it appear that we are anxious to push our ideas upon any one section of the community. It would be in bad taste for this Parliament to discuss an Arbitration Bill in any but a conciliatory spirit. We should not employ threatening language, or say anything, indeed, which could be construed as a threat. We should deal with the whole matter as seeking to pour oil upon troubled industrial waters.

Senator PRATTEN.—Does the honorable senator think that frankness is harmful?

Senator NEWLAND.—Frankness is not only essential, but, at all times, good policy. There is a difference, however, between frankness and harshness, between an attitude of conciliation and the making of threats or the display of prejudice. There is no reason, however, why a note of caution should not be sounded. I would warn those who to-day are taking the wrong road—the road which, if followed to its end, will lead to disaster. There is a section in the community which is working industriously for the expansion of Bolshevik rule. The red flag is being waved in this country. That flag, in all ages, and in every country, has drawn beneath its shadow the undesirable elements, and bloody rebellion has been its accomplishment. In Australia there are men and women who are devoting their lives to the spread of the pernicious gospel of the red flag. Sunday schools have actually been established, and it is well that the public generally should know it. When revolutionary Sunday schools can be created, wherein innocent children may be taken in hand by misguided men and women, and this doctrine instilled into their young minds, it is time for Australians who are thinking of the future of the Commonwealth to stir themselves, and to see that something more effective than the passage of this Bill is required to deal with such people as those. That revolutionary doctrine attracts to itself the undesirables in every section of the community, but that is not to say that it attracts only the ignorant, because it draws to itself many

intelligent and able men and women, who follow it through mistaken ideas. It is time something was said and something effective done to put a stop to this kind of thing, which is largely instrumental in creating the industrial unrest under which we are labouring to-day. I hope that in the very near future the decent, sober-minded, industrious workman will ask himself whether it is not time that he should call a halt, and suggest to certain leaders of the Labour organizations that they have gone far enough along this dangerous track. Having seen the baneful effects of this doctrine in other countries, Australia should be warned before she goes too far along the road which will unquestionably lead to destruction. Prior to the war, and during the war period, propaganda was undertaken in this and every other country, largely at the instigation of Germany. We know the havoc and mischief that have been wrought in Russia, and, without going into the details of what has happened there for the last three or four years and is happening there to-day, we know that the Red Flag leaves behind it a trail of blood and destruction, and of murdered men, women, and little children. It is high time that we took steps to prevent that doctrine from spreading any further in Australia. Several industrial organizations in Australia have carried resolutions expressing sympathy with the Bolshevik doctrine and the Soviet form of government.

Senator PRATTEN.—That is human cussedness.

Senator NEWLAND.—I am afraid it goes further than that with some of these people, who are quite anxious to see in Australia, and indeed in the British Empire, a state of affairs similar to that which to-day prevails in Russia.

Senator PRATTEN.—But they do not know what that is.

Senator NEWLAND.—That is the danger of it. They do not want to know, and they refuse to believe that from the very outbreak of Bolshevik feeling in Russia nothing but destruction and a record of murder and outrage have followed in its wake. These people say that whatever has happened is necessary to bring about the reform at which they aim.

We hope, by the introduction of legislation such as this, to be able to avoid travelling along the dangerous path by which the people of Russia have travelled, and to escape in Australia the horrors

that have taken place in other countries wherever that doctrine has obtained any hold on the people. It is, therefore, the duty of every honorable senator who is concerned about the future of this country to sound a note of warning to all those who may feel some inclination to take that path, to call a halt and reconsider the position so far as they and this great country are concerned.

The resolutions of sympathy with Bolshevism carried by certain sections of the Labour organizations of Australia are, to every man who thinks seriously of the future of this country, a very sad indication of the trend of thought in certain minds. Here I wish to acquit entirely the great body of Australian working men from the charge of having any sympathy whatever with the outrages that have been perpetrated in other countries, or with the general feeling of the Bolshevik and his form of government, but there is a danger that they may be attracted into this way of thinking, and that so the evil will be spread. According to the press the other day, a resolution was carried in New South Wales threatening to hold irritation strikes if there were any further deportations from Australia.

Senator PRATTEN.—Did you read how that idea was castigated by the present Labour Premier of the State?

Senator NEWLAND.—I read it with very much pleasure, and am glad to know that men in such responsible positions as the Premier of New South Wales occupies saw fit to rebuke those responsible for carrying that resolution. However, we must not forget that it was carried by a very responsible body in connexion with the Labour organizations in New South Wales. We know perfectly well that we have in Australia a large number of men who are not here for the good they intend to do to Australia. Their real purpose is to damage their country as much as they possibly can, yet those responsible for that great Labour organization have actually carried a resolution saying that if any of those undesirable persons are deported they will support irritation strikes. I am confident that a very small section of the workers of Australia are behind that idea, and that many more workers besides the Premier of New South Wales will see that the movement is put a stop to as far as it is possible to do so. We have a right, and we

must insist on that right, to deport from our shores any foreigner, or imprison in our country any Australian, who may be found guilty of such practices as have been indulged in in the past in furthering ideals of that kind. The Parliament of Australia must not forego its right to deal with men of that character, no matter what resolutions are carried by any section of the people.

Senator PRATTEN.—Especially those who suggest that rivers of blood should run through the streets.

Senator DUNCAN.—They are never by any chance the kind of men who fight.

Senator NEWLAND.—Still, we felt safer whilst they were behind prison bars. They are now free, but they should be taught that even they cannot say what they please, because such language may excite a section of the community, and incalculable harm may result. The Government must take the responsibility of governing the country, and, so far as their constitutional powers allow, they must impose a check on such language as is being used by men of that kind.

I hope that when this Bill comes to be better understood it will show the workers of Australia a better means of settling disputes than those suggested by the Trades Council of New South Wales or by men of the type of Grant and others, who, in my opinion, ought to be behind prison bars. The Bill, as presented to us, is one with which we shall be able to deal more effectively in Committee than by a general discussion of its terms. It contains many clauses which I confess I do not quite understand, because some of them appear to go outside the limits of the Constitution. I have no doubt that in Committee the Minister will be able to tell us just how far they go and where they ought to stop. It would be most unfortunate if Parliament agreed to a Bill of this description containing some provision which went outside the limits of the Constitution, and an adverse decision were given against it on appeal. That would tend more to injure the Bill than anything else we could do. Therefore, whilst anxious to give every latitude possible, we must be careful to see that nothing is put into it which will transgress the very limited constitutional powers possessed by the Commonwealth.

I have referred already to the question of the cost of the Bill. I hope the Government will consider very carefully whether it is not possible for them to meet the parties who will make use of the measure, in the direction I have indicated. It is certainly one of the most progressive measures of the kind ever submitted to any Legislature in the British Dominions, and is, possibly, one of the most important. For those reasons, I hope to see it become law very soon, and I trust that both employer and employee will regard it as intended to secure greater peace and prosperity for every section of the community.

Senator PAYNE (Tasmania). [4.33].—It is generally admitted that the Bill deals with one of the most important matters that can come under the purview of the Commonwealth Legislature. Every one is cognisant of the fact that the industrial unrest which was so noticeable during the war period has markedly increased since the termination of the awful conflict in which we have been engaged. I think most of us were justified in assuming that when hostilities terminated the Australian people would settle down in order to repair, as far as possible, the damage that had been caused by the war, to build up the community, to strengthen the Commonwealth, and to bring about within our borders such an increased production as would more than make up for the material loss that we incurred during the war period. Unfortunately, such a happy condition of affairs has not eventuated, and we have found, especially during the last twelve or eighteen months, industrial unrest increasing by leaps and bounds.

The Government are to be congratulated upon having introduced a measure which, although it partakes more or less of the character of an experiment, has for its object the bringing closer together of employers and employees throughout this portion of the Empire. In discussing the Bill we need to consider what are the main causes of the industrial unrest through which we are now passing. Numerous causes have been assigned for the discontent that is so prevalent. I take it that every honorable senator will admit that something must be done to bring about industrial peace as speedily as possible, and action in that direction is all the

more necessary because the responsibilities of Australia as a nation were borne during the war period. Not only must we recognise the need for doing all that we can to make things better than they are to-day from our own view-point, but we must recognise it from the stand-point of the Empire, because Australia, being now classed amongst the nations of the world, is being closely watched by other nations which are industrial competitors with it. From time to time, both from Commonwealth and State platforms, we have heard much about the need for economy being exercised in order that we might prepare ourselves to meet the heavy expenditure which we incurred upon the war.

I do not wish to be harsh in my criticism to-day, but I cannot help remarking that those who have preached economy most loudly have practically said to the people of the Commonwealth, "Do as I say, not as I do." Both the States and the Commonwealth have indulged in economy campaigns from our public platforms. Our people are very observant, and they have noticed that despite all this talk about economy no real economy has been practised. Extravagance has been rife in both Commonwealth and State Departments, and this circumstance has been reflected in a greater or less degree amongst the people of Australia. During the war period there was a considerable increase in the amount of cash which circulated amongst our citizens. Many of them handled very much more money than they ever handled previously. Extravagance thus became the order of the day to a greater or less extent. Time after time I have observed that persons who used to live simply became accustomed, during the war period, to spend very much more than they had ever done before upon things which were not essential to their comfort. Now that they are not receiving as much cash as they did, they naturally desire to live up to the standard which they adopted during the war period, and when they find that the cost of living continues to increase, they not unnaturally become more and more discontented.

We have been told that one of the main causes of industrial unrest is profiteering, and there are sound reasons for that belief. But, although profiteering has occurred in respect of necessary commodities, we cannot fail to recog-

nise that there have been two classes of profiteers in this country. These classes have been in evidence throughout the entire war period. In one class we must place the worker of Australia, who condemns the manufacturer and distributor for profiteering. How far his condemnation is justified honorable senators know. Anybody who takes an intelligent interest in this question must admit that profiteering has been indulged in both by manufacturers and distributors. I call that man a profiteer who extorts from the people an undue profit upon the cost of his manufacturing or distributing operations. To the other class of profiteer, many of the workers themselves belong. To just as great an extent as our manufacturers and distributors, these people have been responsible for the increased cost of living. I regard as a profiteer any man who whilst receiving a certain wage for eight hours' work decides that in return for that wage he will do only four hours' work. Consequently, I am now referring to the "go-slow" policy which has been so much in evidence in Australia. I do not suggest that all workers have adopted that system; but, undoubtedly, there are certain sections of them who have listened to the advice of agitators who are anxious to maintain themselves in snug positions, and who are responsible for a diminution in the output of our industries. The workers engaged in those industries should be given clearly to understand that the adoption of such a policy is not only wrong to the country in which they live, but must inevitably inflict injury upon themselves, because anything which decreases the output of our industries must necessarily react upon the purchasers of goods, of whom the workers form the majority. Upon making inquiries into the increased cost of many commodities some time ago, I found that there was a tendency, not only to add the increased price of the raw material to the manufactured article, but to add to the cost to the distributor the profit on the increased cost, whilst at the same time decreasing the quality of the article by, say, 50 per cent. Consequently, the article which the consumer has had to purchase represents only half the quality of that which he purchased in normal times when the price was one-half of what it is to-day. The worker promptly recog-

nised this fact, which has contributed so much to the industrial unrest in our midst. I am an ex-business man, and my sympathies have always been with the merchant or manufacturer who believes in giving to his customers a fair deal. I have no sympathy whatever with those persons who have endeavoured during the war period to extort from the consumer a higher rate of profit than that to which they were entitled. But my criticism under this heading is equally applicable to those workers who do as little as they possibly can each day, and take as much as they can get for a day's wages.

Another factor which has contributed to the industrial unrest which is so marked in Australia is to be found in the number of individuals here who live chiefly on their efforts to make men discontented. To discover this, one has only to go to the Yarra bank, Melbourne, or the Domain, in Sydney, upon any Sunday afternoon and listen to the doctrines which are preached there. But I am glad to know that there are young men in our midst who are wage-earners, and who are prepared to attend these places and to combat the pernicious doctrines which are promulgated there.

Senator REID.—Does the honorable senator think that the Yarra-bank orators influence many people?

Senator PAYNE.—I am sure that they do. There is not the slightest doubt about it. The future of Australia is not bound up with the men who have borne the heat and burden of the day during the past thirty or forty years. It is bound up with the younger sections of the community.

Senator PRATTEN.—But the great majority of people attend the places to which the honorable senator has referred merely for the purpose of entertainment.

Senator PAYNE.—I admit that. Yet the fact remains that a great many men receive the whole of their education upon economics either on the Yarra bank, Melbourne, in the Domain, at Sydney, or in the park at Hobart. These places are the schools which they attend once a week, and they read only those newspapers which publish the doctrines that are preached by these professional agitators. One of the latter, who has been in public life for many years, was address-

ing a gathering of this kind not long ago, when I interjected that he and others of his class were always endeavouring to make men discontented. His reply was, "Yes, that is our policy. When we see men contented we regard them as slaves." There is no doubt that that is their policy. They dread the possibility of men becoming contented, because they recognise that in that event their own occupations would be gone.

What does this Bill aim at achieving? It aims at creating an attitude of goodwill amongst employers and employees, and for that reason I heartily welcome its introduction. It provides a means by which the representatives of these classes upon Tribunals which are to be created may meet and discuss the whole of the conditions surrounding certain industries of the Commonwealth. Its object is an excellent one. In Australia for some years we have had Wages Boards and Arbitration Courts. The Wages Board system has been productive of a great deal of good, but it must be admitted that it has failed at a certain point. It is a point that should be kept in mind by every citizen of the Commonwealth.

During recent years, much has been heard of the cost of living; and during the discussion on the War Service Homes Bill the Minister for Repatriation (Senator E. D. Millen) referred to the excessively high cost of erecting homes. Is it not patent to every one that one of the primary causes of the excessive cost of building, and of the commodities which we daily consume, is the fact that in Australia skilled labour is very scarce, and is becoming scarcer every year? Is it not a fact that, under our Wages Board system, it has been made absolutely impossible for a large number of our growing lads to be trained in avocations that are useful to the country of which they are natives? Owing to the limitation on apprenticeships, thousands of youths have been prevented from becoming skilled artisans, and in many instances they are forced to earn their living by street-sweeping, or occupations of a similar character. Honorable senators realize that any man who desires his son to become a skilled tradesman will find the greatest difficulty in placing his lad, notwithstanding the fact that we are spending annually thousands of pounds

on technical education to enable those boys to follow a useful occupation. What is the result? The door is closed in every direction, because it is provided by law that in most of our industries for every three adults working in an industry only one apprentice shall be employed. What chances have our boys? What prospect have we of building up a nation if the bulk of our men are to be unskilled labourers? The only remedy is to review the legislation that has been passed, otherwise our Australian youths will be compelled to take a back seat, and give preference to skilled artisans imported from other countries. The position I have outlined has a great deal to do with the increased cost of living. We know, from what we read and from what we have seen, that the work at present being performed by skilled labourers is not to be compared in quantity with that of a few years ago.

Senator REID.—Improved mechanical devices are, to a large extent, responsible.

Senator PAYNE.—I am not referring to those trades where machinery is employed to a large extent.

Senator SENIOR.—The Australian workman has proved himself equal to the workman of other countries.

Senator PAYNE.—I am not suggesting that the men who have had an opportunity of becoming skilled are not equal to those of other countries, because our Australian workmen, when properly trained, can hold their own with any men on the face of the earth; but I am referring to the opportunities of our growing lads, who are to be the men of the future, and upon whom we shall have to depend for the success of the Commonwealth in years to come. Any employer of labour will say that it is difficult to obtain the number of skilled labourers required, and that factor is to a large extent responsible for the present high cost of production. We cannot wonder at being confronted with such a position when lads are prevented from following occupations for which they are best fitted.

Senator SENIOR.—Specialized labour has a lot to do with it.

Senator PAYNE.—That does not affect the position to which I have referred. In every State of the Commonwealth the annual vote for technical training is being increased, and large sums of money are being spent to enable

lads to obtain the initial training which is so necessary. It is no exaggeration to say that more than 50 per cent. of our lads are excluded from taking up the work for which they are receiving training at our technical schools.

Senator REID.—That has been brought about largely by Wages Boards and arbitration awards.

Senator PAYNE.—That may be responsible to some extent. It is easy to calculate that if we keep on restricting apprenticeship, as at present, the proportion of unskilled labourers to skilled workmen will be greater within the next ten years than it is at present.

I do not wish to delay the Senate any longer. The Bill has my hearty support. I know that it is an experiment, and I trust that, not only public men, but every member of the community, will take a keen interest in its provisions, because, after all, in it lies the key to the whole position. I trust that interest in the matter will be general, because unless every member of the community becomes concerned in questions of this character the proposal will prove a failure. If we can only create public interest and show the foolishness of carrying on under present conditions, and the necessity of bringing the workers and their employers together in a spirit of conciliation, much good will result. It is time every employer—I believe a great many of them do at present—realized the necessity of extending fair treatment to their men. If the employers are prepared to meet their workmen in a spirit of conciliation, I believe the employees will respond in the same spirit. I sincerely trust the Bill will become an Act, and that the experiment which it embodies will prove a success, and will be the means of preventing industrial unrest, which is the greatest drag on the Commonwealth at the present time.

Senator KEATING (Tasmania) [4.59].—Like the last speaker (Senator Payne) I recognise that this Bill is something in the nature of an experiment. I believe it is a well-intentioned one, and I earnestly hope that it will at least achieve a modicum of that success anticipated for it by its most sanguine supporters. I am supporting the measure because I think it will achieve at least some of the results foreshadowed, and because I look upon it as a step for-

ward. For a long time I have believed that we have not paid sufficient attention, as a Federal Parliament, to the powers which we possess under the Constitution, to legislate for conciliation. We have equal powers in regard to legislating for conciliation as we have for arbitration, but hitherto we have concentrated all our legislative efforts in the direction of arbitration. However successful arbitration may be in principle, it has not been found so in actual practice, and has proved to be a somewhat cumbersome method of dealing with industrial disputes. First of all, there must be an actual dispute before the Court can intervene, and, secondly, it is necessary that the dispute should be one extending beyond the limits of any single State. It is not until that condition of affairs has been reached that it is possible to invoke the assistance of the Arbitration Court. Our powers in regard to conciliation are co-extensive with our powers in regard to arbitration, but we have not utilized them in regard to the former. This is an attempt to do so, and I trust it may result in the benefits anticipated.

One of the disadvantages attendant upon procedure by arbitration, to which we have confined our legislative efforts, is that not only have we to get the necessary antecedent conditions, such as the existence of a dispute extending beyond a single State, but that we have been limited considerably in applying the principles of arbitration. We have been limited by the human equation. The Commonwealth arbitration work has, so far, been relegated to one Judge of the High Court—Mr. Justice Higgins—who, to some extent, has been assisted by Mr. Justice Powers. All the disputes that it is possible to bring within the jurisdiction of the Arbitration Court cannot, in the method and in the procedure that is provided by the Arbitration Act, be dealt with with anything like reasonable expedition by two Justices of the High Court. The result is that the list of the Court is congested, and plaints that have been lodged long since have not yet approximated to a hearing. The discontent in which these plaints originated has been intensified, and so arbitration as a principle has been condemned by people outside, not justifiably, but simply be-

cause the Arbitration Court could not possibly or humanly reach the different matters in which its jurisdiction and authority had been invoked. But, going a step even beyond that, when matters have reached the Judge in arbitration, what do we find? There are details concerning different industries, and some of those industries have associated with them the most complicated processes. It has been found necessary for the arbitration Judge to inform his mind most particularly in regard to these varying and complicated processes, for the purpose of adjudicating on the particular matter he has under consideration. What a time has been occupied in individual cases in going through that process? Witnesses have been called on both sides, and they have been found contradicting one another, not merely because they are on different sides to the dispute. Very often the witnesses called on the one side of a dispute have given to the Court what has appeared to be conflicting testimonies. It is a matter of very great difficulty for the brightest mind to inform itself as rapidly as the circumstances require in dealing with matters arbitrally. It is a matter of very great difficulty for the blank mind to inform itself of all the processes of an industry, because, apart from anything else, every individual witness who goes before an Arbitration Court to give evidence as to the details of the processes of an industry, always postulates some knowledge on the part of the Court, whereas it often happens that the mind of the Court is an absolute blank upon the particular details of an industry in respect to which the witness is called to give evidence. These circumstances have all tended to hamper the Arbitration Court in dealing with the disputes which have come before it. In any event, there is a growing feeling throughout the community that the Court is too cumbersome and costly and too lengthy and involved in its processes to deal with the causes of the widespread industrial unrest. I, therefore, think that the Government have been very wise in coming forward with a recognition of the powers of this Parliament to deal with conciliation legislatively by submitting such a proposal as that before us now.

I notice that it is not intended by this measure to abolish or supersede the Arbitration Court. It is proposed under this Bill to establish machinery supplementary to, and not superseding, the machinery of the Arbitration Court.

Senator SENIOR.—Antecedent to that machinery.

Senator KEATING.—It will, if effective, prevent a great many disputes in connexion with which the Arbitration Court would otherwise be called upon to exercise its jurisdiction. It will anticipate the action of the Arbitration Court, and should operate to relieve that Court of an immense amount of work which otherwise industrial differences would impose upon it.

Senator PRATTEN.—Will it not also take up some of the responsibilities of the Arbitration Court?

Senator KEATING.—Undoubtedly it will, in the sense that it will bring the disputing parties together, and bring about awards which, under the existing law, can only be arrived at after an industrial dispute has actually occurred and has extended beyond the limits of one State.

Senator PRATTEN.—And the findings of these Councils will be registered.

Senator KEATING.—Yes, just as the findings of the Arbitration Court are registered to-day by the Industrial Registrar. On that point I am reminded of a provision in this Bill which enables one of the authorities proposed to be constituted under it to vary an existing award of the Arbitration Court which offends against the principles of fundamental justice through a change in circumstances subsequent to the date of the award. I see in that provision the possibility of friction and collision. It seems to me that it is quite possible that the Arbitration Court may very rightly, as our friends the French say, "cease to function" as a result of such action by Councils constituted under this Bill.

Senator RUSSELL.—That difficulty to-day is one of the main causes of friction.

Senator KEATING.—Not the difficulty to which I refer, which will not exist until this Bill is in operation, and one of these Councils undertakes to vary an award of the Arbitration Court.

Senator RUSSELL.—What I mean is that much of the difficulty at present experienced is due to the fact that the cost of living moves faster than the awards of the Court, and there is now no means of

varying awards within the terms to which they apply.

Senator KEATING.—The honorable senator refers to the inability of the Arbitration Court to vary its awards in certain circumstances. It is open to question whether the best way of overcoming that difficulty would not be by an amendment of the Conciliation and Arbitration Act itself and not by the establishment of another Tribunal with the power to investigate an award of the Arbitration Court, and vary it without reference to that Court. I think that we shall have to walk very warily to keep these two Tribunals in existence if the power is given to Councils under this measure to inquire into an award made by the Arbitration Court, and vary it without reference to that Court, on the ground that it is no longer consonant with the principles of fundamental justice.

Recognising that the machinery to be provided under this Bill is supplementary to and not superseding the established machinery of the Arbitration Court, I should like to say that I consider the machinery and procedure so provided will prove very much more expeditious for the purpose of the consideration of a dispute in embryo, and much more economical than the present process. I think, also, that it will be much more radical in dealing with matters likely to divide employers and employees. When I say more radical, I mean that those who will be charged with the responsibility of overcoming the difficulties likely to lead to a dispute will get right down to the root of the matter, because they will be persons having an intimate daily and up-to-date knowledge of the questions with which they will be called upon to deal. They will not be under any obligation to call evidence, because they will know, from intimate daily experience, the circumstances of the industry in which they are engaged, and will be able to come to a decision upon differences, based upon mutual knowledge, and, let us hope, mutual tolerance and trust.

I notice that, in some of the speeches made during this debate, and especially that by Senator J. D. Millen, reference was made to the widespread character of the present world's industrial unrest. Senator J. D. Millen said that it was not

due to the war. I agree with the honorable senator. He traced in an historical sketch the uprising of industrial unrest, especially in the United States of America, for some years prior to the war. It is not exactly a wave that is going round the world. It seems to me something more like a deluge, it is so very extensive. It is of no use for us to play the ostrich by putting our heads in the sand and blinding our eyes to existing facts. Industrial unrest has been prevalent throughout the world for a number of years, and it is growing. That the war has precipitated some of its manifestations is without doubt.

Senator SENIOR.—It accelerated it.

Senator KEATING.—It intensified it, because, when those who were taken from their normal occupations to engage in the activities of the various battle-fronts came back, they were infected with the general prevailing spirit of unrest. They felt it very much more keenly than they would have done if, during the years of their war service, they had continued in their ordinary occupations. A certain amount of conservatism and adherence to the habits of the day would have steadied them, but they were taken away from their ordinary avocations, and, having experienced the excitement of war service, they found on their return that it was difficult to take up their former avocations, and the spirit of unrest abroad by which they were infected considerably intensified their difficulty.

Then we have the fact that during the war, no matter how we may attempt to disguise it, capitalists made immense profits. This has given rise to a feeling of considerable resentment, not merely amongst the workers, so-called, but amongst the general community. One of the main factors contributing to the spirit of unrest prevailing everywhere lies in the increased and varying cost of living, coupled with the opportunities which the ordinary citizen has offered to him every day of observing the luxury, wealth, and waste that is going on amongst those who made immense profits before, during, and since the war. This is observable everywhere. One has only to walk for half-a-mile in any direction in the city of Melbourne at any hour of the day to note the wealth that is being squandered and the luxury that is being indulged in by people who

five, seven, eight, or ten years ago certainly restricted their expenditure within economical limits, but who to-day seem to feel that there is no bounds to the possibilities open to them by reason of the fact that they can spend money which they have suddenly acquired.

Senator PRATTEN.—That state of affairs is very much more marked in the northern hemisphere than it is here.

Senator KEATING.—I believe that it is, and I believe that it is for that reason that the spirit of unrest is not so great in Australia as it is in other countries. I think that the spirit of industrial unrest is much more marked in the United States of America and in countries of the Old World than it is in Australia. We must remember that during the period of the war the Government of the Commonwealth very wisely took control of many things under the War Precautions Act. They regulated exports and their sale abroad, and they limited prices at home. Were it not for that fact, I have not the slightest doubt that there would be in Australia to-day, not a large, but a considerable, army of people who would have made immense fortunes out of the war, and who, by their very presence and habits of luxury and waste, would have intensified the spirit of unrest which it is one of the objects of this measure to allay.

The cost of living has increased, and it constantly varies. One of the difficulties with which we are confronted at the present time is that when the workers in any particular industry have eventually succeeded in getting an audience in the Arbitration Court, either of the Commonwealth or of the State, or before some other industrial Tribunal, and have succeeded in securing a rise in wages or a reduction in the hours of labour, there is immediately a rise in the prices of the products of the industry in which they are employed. And they do not rise merely in proportion to the increase occasioned by the added wages or the reduced hours, but far above that limit, so that the employers not only recoup themselves for their added costs, but continue to make something beyond that.

Senator PRATTEN.—In fairness, the honorable senator should remember the increasing inefficiency of labour.

Senator KEATING.—I am not going to admit the increasing inefficiency of

labour; but even if I did, I would still say that the added cost put upon the general public is such as to considerably more than compensate the employer for any alleged increased inefficiency of labour. The general public has to bear the enhanced cost; and, in saying that, I call attention to one of the shortcomings of our industrial laws, both Federal and State. So far as a specific body of employers and employees are concerned, it is quite possible that a dispute may be settled by the granting of an award. The employees get improved conditions and increased wages, and the employers say, "All right, we will pass it on and add a little more besides. Let the good old general public pay."

Senator ROWELL.—That only applies to secondary, and not to primary production.

Senator KEATING.—Possibly; nevertheless, the general public pays. Senator J. F. Guthrie aptly put the position last Friday. He said that, as a matter of fact, the worker usually pays for strikes; so long as he is out of work he loses his wages. The honorable senator pointed out, further, that no matter how long a strike lasted, the employer could sit back in his club, or ride about in his car, and wait patiently until work was resumed. When his employees returned, no matter what they may have lost, or what improved conditions they may have obtained, the loss and expense were not his. He would merely call upon the general public to pay, by way of increased prices, for the commodity which he had to sell. Thus, while he was recouped, and more than recouped, for any loss occasioned by cessation of work, his employees had to bear their own losses. The general public repaid the employer, and the latter took care also to see that he made a profit out of the strike, by keeping up the added cost.

Senator PRATTEN.—The honorable senator argues, then, that in all cases strikes are not unprofitable to the employer.

Senator KEATING.—That is what Senator J. F. Guthrie said, in effect.

Senator REID.—No; the honorable senator should be fair. What Senator J. F. Guthrie said was that the workers lost more.

Senator KEATING.—He said that the employer did not care, because, when the strike was over, he increased the cost of his product to the public so that his losses were recouped. I go further and say that the employer would maintain the increased price and actually profit by the strike of his employees.

Now, in all these disputes there is one party which never seems to be represented. I refer to the general public. It is true, of course, that employees generally are members of the public; but the fact remains that the moment a particular industry is subjected to an award by which a specific body of employees is benefited all other employees in other industries suffer as members of the general public. Moreover, those very employees who have received benefit by the granting of an award find, before long, that their increase in wages is all absorbed in the added cost of necessary commodities. So they return to the Court and say, "What is the good of granting us such and such an increase, seeing that the cost of living has gone up again? Our wages will have to be raised once more." It appears to me that that sort of thing must go on indefinitely. Representation of the general public is necessary, whether at the proceedings of the Arbitration Court, or of Wages Boards, or of the Tribunals now proposed to be constituted. I realize the difficulty of securing direct representation of the general public, particularly if they are to be represented as organizations are to-day, namely, by the selection of representatives. But, since the Commonwealth Government and the various State Governments may be said to represent the people of Australia, there should be established a Department of Public Representation.

Senator WILSON.—Should not the Chairman of the Court or Board generally be regarded as the representative of the public?

Senator KEATING.—I cannot see that. In the long run we must establish a system, or a Department, of Public Representation, whose officials would attend all inquiries in which the interests of the public are directly involved. The interests of the people are ignored almost always in the determination of disputes between employees and employers.

Senator BAKHAP.—That applies particularly to the section ordinarily known as the salaried class.

Senator KEATING.—The salaried, or the middle class, who cannot demand increases for every enhancement of the cost of living.

Senator PRATTEN.—The new poor!

Senator KEATING.—Honorable senators may call it what they will, but it may be said to be that class which is most keenly feeling the effects of having to wear new shoes. I emphasize that, in the long run, there must be provision for popular representation at inquiries of the character under discussion.

Reference has been made, in another place, to the fact that the word "organization" is used in various circumstances throughout this measure. Among the proposed amendments circulated in this Chamber by the Government is one for the substitution of the word "association" for "organization." That, however, involves merely a change of name. In the matter of provision for the representation of the workers by organizations, the Government have been asked that those organizations shall be restricted solely to such as are recognised by the various Trades Halls. Rather than accede to that, the Government propose to employ the words "recognised organizations." That is a very dangerous and ambiguous phrase. Recognised by whom? I was closely associated, in Tasmania, with a case which dragged its length through various Courts because the State Legislature, in an unguarded moment, had employed the word "recognised." The point of law involved was that the use of the totalisator was forbidden, except in various circumstances, amongst others, by "any duly recognised racing club" on a race-course while races were actually taking place. Certain clubs used the totalisator, and were prosecuted; and, because those clubs were not recognised by the official governing bodies—that is to say, "registered" by the Tasmanian Racing Club in the South, or the Tasmanian Turf Club in the North—the magistrates held that they were not "duly recognised racing clubs," whereupon the secretaries were convicted. The cases proceeded from Court to Court, until they reached the Tasmania Full Court. This Tribunal held that the words involved were practically meaningless.

Senator PRATTEN.—Was Judge Ewing on the Bench?

Senator KEATING.—No; this was before the days of Mr. Justice Ewing.

There were some very eminent gentlemen on the Bench, including Mr. Justice Dodds, and Mr. Justice McIntyre. The Bench held that the phrase in the Act was meaningless, in that it did not indicate by whom recognition was to be given. We argued, successfully, that "recognition" meant recognition by the public. And who were the public? They were those people who saw fit to attend a race meeting held by a racing club. They actually "recognised" the racing body in question as a club. The Court held that there was nothing in the legislation to restrict recognition to any official governing body; and I might add that, since then, the State authorities have had to amend this specific piece of legislation by providing that recognition meant registration by certain authorities. To use at large the words, "duly recognised organization" immediately sets up the question, "recognised by whom?"

Senator RUSSELL.—Let us say that there is a dispute in the coal-mining industry, and that while one organization, representing 90 per cent. of the miners, will not approach the Court, another organization, representative of the remaining 10 per cent., is willing to do so. Which body is to be recognised? I would prefer to recognise the organization which has been recognised by the Arbitration Court. That, however, will not settle the difficulty.

Senator KEATING.—No; we have made provision in the Arbitration Act for the registration of associations as organizations. I see the difficulty the Government are in. I see that there are men who do not belong to unions, who would desire to utilize the provisions of this Bill if it were in operation, and who, by their very use of it, might serve to measure its effectiveness and efficiency. Are we to block them? I see the difficulty; but I warn the Government that they will not get over it by using the ambiguous words "recognised organization."

Senator J. D. Millen spoke on Friday last of the industrial turmoil in the United States of America, and of the organizations that have grown up there to cope with industrial unrest, with the Industrial Workers of the World on one side, and huge organizations or trusts of employers on the other. If we are going to establish permanently, as a feature of our social policy, legislation of this character,

it is obvious that there must be organization of the two parties, employers and employees. For the purposes of our Arbitration Act, we found it essential that there should be organization on either side. The Arbitration Court was not to be open for an individual employer and his employees to invoke its jurisdiction and to occupy its time. When we affirmed the principle of arbitration, and sought to give expression to it in legislative and judicial form, we said, "The employees in any particular industry may, to such and such a number, or more, register and become an organization. Then that organization will become justiciable. It will be a competent party in the Court. An organization of employers to such and such a number may register, become an organization, become justiciable, and be a party to any proceeding under the Arbitration Act; but we cannot leave it to individuals." So, too, I think we shall be confronted with the problem of dealing with organizations in this case. If this Bill is to remain on our statute-book, and the Arbitration Act is to remain there, and various other provisions are to be made for meeting the cases of industries, employers, and employees, I think we shall be confronted with the necessity of having on our statute-book something analogous to a companies law, but which will deal with industrial organizations, their status, their formation, their powers, their responsibilities, and their duties. Then, when these Acts, such as the one we are considering, and the Arbitration Act, are being put into practice, only organizations which are registered under and conform with the provisions of our general industrial organizations Act, should have any standing. That, it seems to me, is the only way we shall be able eventually to get over the difficulty. That is the proposition with which we shall be confronted if this legislation and the arbitration legislation are to stand.

Although the Bill may prove ameliorative, and, perhaps, a passing balm for present troubles, it seems to me very restricted in certain respects. I do not know whether it is intended to confine it to secondary industries, and troubles connected with them, but that appears to be the effect of the Bill as it stands, especially in relation to a Special Tribunal under clause 15.

Senator Keating

That clause provides that a Special Tribunal shall have cognizance of "(b) any industrial dispute as to which a conference has been held under section 18 of this Act, and as to which agreement has not been reached as to the whole of the dispute, and which has been referred to the Special Tribunal in accordance with section 20 of this Act."

Senator PRATTEN.—Would that not cover the present dispute between the graziers and the Australian Workers Union?

Senator KEATING.—I could not say that; but the portion of the clause which follows is that to which I wish specially to refer. It provides that the Special Tribunal shall have power to inquire into all matters relevant to the dispute "from the point of production to the final disposal of the commodity."

Senator RUSSELL.—That is to be amended to read "To the disposal of the commodity by the employer." That eliminates the possibility of its application to every retailer.

Senator KEATING.—The point I am driving at is that the Special Tribunal is charged with responsibilities, and endowed with certain powers "from the point of production to the final disposal of the commodity," all of which seems to imply that its functions will be limited to secondary industries. What, for instance, could it do with regard to the point of production and the final disposal of the commodity in the event of a dispute, say, between the bank clerks and the bankers of the Commonwealth? What commodity would be involved?

Senator REID.—The commodity of their labour.

Senator KEATING.—I do not think it would be so held.

Senator RUSSELL.—Read paragraph a.

Senator KEATING.—I have done so; but the subsequent wording seems to imply that some "commodity" is involved in the industry.

Senator RUSSELL.—In many cases yes, but in others no.

Senator KEATING.—This wording seems to restrict the inquiry to an industry in which a "commodity" is involved.

Senator PRATTEN.—Is not this Bill primarily to bring about a settlement amongst those big unions that at present decline to go to the Arbitration Court?

Senator KEATING.—Very possibly; but it seems to me that the clause I have quoted implies that the Special Tribunal shall deal only with industries in which the production and handling of a commodity are involved.

Senator BENNY.—That is a power supplementary to the other two powers.

Senator KEATING.—Yes; but it seems to me from the way in which it is worded to be confined entirely to those industries which I have indicated.

Senator RUSSELL.—It is a portion of clause 15, and I presume that the clause, as a whole, would have to be read with it. Paragraph *a* seems to cover everything.

Senator KEATING.—I make the suggestion now so that the Minister may, before the Committee stage is reached, inquire as to the necessity of some amendment to make that particular provision more clear.

Having regard to the position of others than the immediate disputants whose interests will be dealt with under this Bill, I cannot but express regret that we are dealing with this matter, so important as it is, with such limited powers. On the various occasions on which it was proposed to amend the Constitution in the past, I opposed the extension of the powers of the Commonwealth Parliament; but during the period of war a considerable change came over the Commonwealth, and when the Prime Minister (Mr. Hughes) asked last year for the extension of the powers of the Parliament, I felt that he was quite justified, especially in those circumstances and under those conditions. Now we find ourselves up against one of the biggest propositions that Australia has ever had to face, and we are approaching it and dealing with it maimed. If this measure does not in its application meet with a modicum of the success that is anticipated for it by its most sanguine supporters, I have no hesitation in saying that it will be because our powers of dealing with the problem are limited.

Senator BAKHAR.—Would the honorable senator say that arbitration has been an unqualified success in connexion with those questions where the power of the Commonwealth suffered no limitation?

Senator KEATING.—I have not said so. I have dealt already with the Arbitration Court, and with what I consider

the features that have made it so little successful, even in the fields in which it was unhampered. If this Bill is not as successful as we all hope, it will mark very strongly the necessity for a reconsideration of the powers of the Federal Parliament. It is five years or more since I launched in this chamber the motion for the appointment of a Convention to consider the necessity of amending the Constitution. It was discussed here at some length, but was not finally dealt with. The same motion was taken up, word for word, in another place more recently, and has been discussed at odd times there. I am very pleased that the seeds sown by me five years ago germinated, and that last year the Prime Minister announced his intention to call a Convention to consider the need, the form, and the substance of amendments of the Constitution. I believe we shall find that the need for recasting our powers in regard to this all-important matter, important to the whole of the people of Australia as a Commonwealth and as States, and individually as producers, consumers, and exporters, will become more apparent as the aid of the measure which we are now discussing is invoked.

Senator PRATTEN.—What limitations are there now in connexion with this Bill if Inter-State disputes occur in any industry?

Senator KEATING.—I am speaking not so much about Inter-State disputes as about disputes generally, the limitation of prices, and the question of dealing with profiteering. These are matters which, if this Parliament had the power to deal with them, would enable us to approach this very complex and difficult problem with a greater assurance of success.

Senator FOLL.—Many of our biggest disputes have been between the State Governments and their employees, and we could not interfere with those in any case.

Senator KEATING.—Limited as the Bill is, and recognising the need for those limitations, I certainly wish it every success. I hope that when we consider it in Committee the Minister will give the fullest and freest consideration to any criticisms that may be offered. With

these qualifications, I heartily support it, and hope that it will be attended with the greatest measure of success possible.

Senator SENIOR (South Australia) [5.50].—After listening to the very able address delivered by Senator Keating on this, perhaps the most important question that can occupy our minds, honorable senators must feel, as I feel, almost as if we want time to breathe. The question is very involved, because, after all, the unrest that we complain of is not the product of to-day, nor the product of Australian conditions alone. It is an inherited propensity. It is inherent in human nature wherever it is striving to better its conditions. It is part of the uplift that is taking place throughout the world to-day. Much as we may dislike and condemn it, in a very large measure we are indebted to the spirit of unrest for the progress which has been made in the world.

Senator PRATTEN.—Does the honorable senator think that that is a bad thing?

Senator SENIOR.—No. But I think that a bad application has been given to it. The fact that we were dissatisfied with our slow method of locomotion led us to adopt swifter methods. That we were dissatisfied with the slow transmission of our thoughts induced men to investigate scientific research until finally they discovered the electric telegraph and wireless. I do not believe in the gospel of contentment in the way that some persons preach it, because it is tantamount to a gospel of stagnation. But I do strongly hold that a wrong use may be made of a right thing.

During this discussion a great deal has been said regarding the causes which contribute to the existing industrial unrest. But what has been the position of the world during the period within which this unrest has become intensified? I suppose that from 40,000,000 to 80,000,000 of producers have been called from productive avocations to industries which were necessary to the continuance of the war. That circumstance naturally precipitated a scarcity of the commodities which are necessary to our normal life. Now, history shows that whenever there has been a scarcity of commodities, the prices of those commodities has increased. The result has been a high cost of living and the necessity for granting increased wages. Thus a vicious circle has been produced,

and, to make use of an apt phrase, we are compelled to "chase the devil round a stump." The increase of wages necessarily involves an immediate increase in the cost of production, and every time the cost of production is increased it becomes necessary to grant a further increase in wages. There is, consequently, only one solution of this vexed question, namely, that of increased production. How is this result to be achieved? How has it been achieved in previous years? It has been said very many times that the man who can make two blades of grass grow where only one grew previously is a public benefactor.

Senator PRATTEN.—He is greater than any politician.

Senator SENIOR.—Yes. It is because we are not applying ourselves to the task of production as diligently as we have done in the past that the cost of living continues to increase. Every time that a strike occurs there is a loss of production. It is not merely a loss to the employer, but a loss to the general public. They are not merely losers but sufferers. Consequently, we have to consider this question from the stand-point both of the master and of the worker. It is a problem which strikes at the very root of society, of which man is a unit. After all, the question is not a local or a national one, but an international one.

Wherever machinery has been applied to production in any industry in substitution of human labour more human labour has eventually been employed in that industry than was ever employed before. Take the case of the printing press by way of illustration. When the first huge strike took place in connexion with the printing of the *Times* in London consequent upon the introduction of steam power for driving the press, a large number of men lost their employment. But the application of that machinery ultimately made for a multiplication of employment in that industry. Again, let me point to the textile industry. The introduction of the power loom in the Old Country threw out of employment a number of people who had been using the hand loom. The little household factories were obliged to cease operations, and big factories were built. Then came that terrible blot in connexion with the introduction of that machinery,

namely, the employment of child labour. The employment of children in the factories provoked the deepest resentment against the manufacturers—

Senator PRATTEN.—Exploitation then started.

Senator SENIOR.—An agitation was then started which led to shorter hours of employment for children. But the point which I desire to stress is that the destruction of the power loom and of the cottage factory eventually led to the employment of a hundredfold more operatives in the textile industry than were ever employed previously, and also to the consequent cheapening of the articles manufactured.

Senator PRATTEN.—But I do not think that it added to the sum total of human happiness.

Senator SENIOR.—Huxley questioned whether human happiness had been achieved during all the progress of the world, and whether it would not be better if a comet struck this earth, and blotted it out of existence. However, that is not the point with which I now desire to deal.

If we are prepared to profit from the lessons of the past, we shall find that there are two things which lie at the root of this problem. The first is that we need to adopt measures which will increase production. Instead of men ceasing work when an industrial trouble arises, they should continue their operations.

Senator PRATTEN.—For the benefit of the whole community, and not of any section of it.

Senator SENIOR.—Exactly. I welcome the introduction of this Bill because under it, instead of men ceasing work when a dispute arises, they will continue to work while it is being settled. Advertising again to the introduction of the power loom in the Old Country, I would remind honorable senators that one condition obtained then which does not obtain to-day. At that time the master and the workman laboured side by side. There was a comradeship between them—a friendly feeling. They ate, as it were, the same food, they were sheltered by the same roof, they endured the same hardships, and they were partners if prosperity came their way. The man and his master knew each other—they knew each other's troubles. That was a primitive stage certainly, but there is no reason why the feeling which was then exhibited should not be exhibited to-day, except that caused by the

separation which has taken place consequent upon the introduction of the limited liability company. That has meant that the master knows not his workman. There is a Pharaoh on the throne who knows not Joseph. To the former his employee is just a "hand," and if there is any word in our language which is objectionable to me it is the word "hand" as applied to a human being, because it seems to entirely eliminate the idea of a brain and a heart. Until employers recognise that the human factors with which they have to deal are men of like passions and kindred feelings with themselves, there is no hope of achieving industrial peace. I welcome the introduction of this Bill because I believe that that is its aim. So long as parties which are opposed to each other are permitted to remain in conflict, so long as there is presented to them a battle-field rather than a place where they may reason together, so long will there be division and disputes and disruption.

Senator ROWELL.—And the professional agitator.

Senator SENIOR.—So long, too, will there be a field for the professional agitator. But when representatives of the two parties sit at the same table, and present their cases calmly and dispassionately, there is every reason to believe that a speedy solution of their difficulties will be found. There are two sides to every question. Very often there is ground for a feeling of unrest amongst workmen, and it is only right that the master should know what that ground is. It is equally right that the men should be made acquainted with the difficulties with which their master has to contend. I have been a servant myself, and I know the different treatment that can be meted out as between one employer and another. When I was employed by a man who recognised that I was a human being, there was nothing that I was not prepared to do for him. With me it was not then a question of the hours of labour, or of the amount of work that I would do for him. I felt that for the time being the very best that was in me belonged to him. If we recognise this, and endeavour to settle industrial disputes by calmly placing the position before the Tribunals to be appointed, I believe we shall be going a long way towards solving one of our greatest problems. The Bill itself presents a good many difficulties, and I

believe it is one of the most important that has been brought before the Senate during the present session. Its provisions will have very far-reaching effects.

Senator DE LARGIE.—We want new ideas; not the old stuff.

Senator SENIOR.—Yes, new occasions inspire new thoughts and involve new duties. I do not think we can regard the Bill as an experiment, as has been suggested by some honorable senators. It has been said that the measure merely provides for the establishment of glorified Wages Boards, but I do not think that such is the case. I believe it is the desire of the Government to act honestly in this connexion, and as the measure has been framed on common-sense and humane lines, there is a possibility of it doing an immense amount of good.

In the first place, the danger seemed to be centred on the appointment of the chairmen of the different Boards or Tribunals to be established, and it has been suggested that it would be wise to leave the work entirely in the hands of a High Court Judge to avoid the slightest suspicion of any political influence or bias. The question arises as to whether that would be an improvement, because High Court Judges are appointed by the Governor-General in Council, and it therefore comes right back to the same point. After all, the Government must take the responsibility in the matter, and if an appointment is a wrong one, the public must punish the Government for the wrong done. The Bill provides for the shortest and most effective means of accomplishing our object.

The question of the powers to be vested in Boards or Tribunals, and how far their investigations shall go also demands consideration. We have heard a good deal recently of the investigations of the Basic Wage Royal Commission, where certain witnesses had to reveal private information to the public in a manner that was degrading in our present-day civilization.

Senator PRATTEN.—Some of the evidence was like light comedy.

Senator SENIOR.—It was full of tragedy, after all.

Senator PRATTEN.—I did not see much tragedy in it.

Senator SENIOR.—There was much that was tragic in it, because many men who are as honest as myself, Senator Pratten, and others, were compelled to answer questions concerning their mode of living in the minutest detail. Many of the witnesses abhor the idea of charity, and naturally hesitated before giving evidence because of the inquisitorial nature of the investigation. It is unreasonable and unjust to bring it down to the level that a man shall be allowed only sufficient for a bare existence for himself and his family.

Senator PRATTEN.—Does not the honorable senator admit that a good deal of the evidence was exaggerated?

Senator SENIOR.—Is it not possible that the inflated prices mentioned were forced from the witnesses because of the nature of the questions submitted to them? Does it not strike honorable senators as strange that men like ourselves should say that the remuneration of others should be only sufficient to enable them to exist?

Senator PRATTEN.—The honorable senator is evading the point.

Senator SENIOR.—We have not reached that stage in our civilization when the remuneration of a man who works for another should be based on a bare living allowance. He is entitled to enjoy a share of the profits produced by his own labour.

Senator PRATTEN.—We do not deny that.

Senator SENIOR.—And yet the investigation was conducted on that basis.

Senator PRATTEN.—By the direction of the Government.

Senator SENIOR.—It does not matter whether it was by the direction of the Government or not; and Senator Pratten knows that his better nature rebels against the procedure that was adopted. When the witnesses were questioned so closely it was only natural that they would make comparisons; and the Court was asked to value the profits and perquisites as well as the motor cars, sumptuous dinners and luxuries generally that are enjoyed by others. We must put the positions of the two parties side by side, luxury on one hand and poverty on the other.

Senator J. D. MILLEN.—And on the other side a man must be prepared to do a fair day's work.

Senator SENIOR.—I give that in. If the Commission inquires into the *minutiae* of the life of a man who is asking for a living wage, he has the right to ask why others should be allowed to enjoy luxuries, and to say that he has been a partner with his employer and should share to some extent in the profits he has assisted to produce.

Senator PRATTEN.—Will not this Bill do that?

Senator SENIOR.—I trust it will, and that when investigations are being made by the Tribunals to be appointed it will not be necessary to inquire so closely into the private affairs of the men. There should be full recognition of the fact that the employer and employee are partners.

Senator J. D. MILLEN.—They should co-operate.

Senator SENIOR.—Yes, there should be co-operation in the truest sense, and if this measure achieves the good we anticipate it will not be a bad thing that we have been so close to the precipice I hope honorable senators will consider the circumstances, as the situation is far more serious than we conceive it to be. What is the position confronting us to-day? Under the Navigation Act a certain number of coal-trimmers are allowed in the stokehold to a certain number of firemen. I am simply mentioning this to show how close we are to what may be a great catastrophe. A certain number of trimmers are required, and they have been granted, and yet we see the danger of the whole of our coastal steamships being held up at a time when there is an urgent demand for coal.

Senator PRATTEN.—Do you think that fair on the part of the trimmers?

Senator SENIOR.—I am not considering the fairness, justice or equity of the case, but I am dealing generally with the situation that confronts us. We should approach this measure with a desire to do that which is best, and to bring about a solution of this difficulty at the earliest possible moment. It is for that reason that I welcome the Bill, because I believe it is a step in the right direction. I shall

do all I can to assist in making it the means of preventing and settling the industrial disputes which are so prevalent to-day.

Debate (on motion by Senator PRATTEN) adjourned.

ADJOURNMENT.

OFFICERS CONDEMNED BY REPORT OF EWING COMMISSION ON NORTHERN TERRITORY.

Motion (by Senator RUSSELL) proposed—

That the Senate do now adjourn.

Senator ELLIOTT (Victoria) [6.17].—I desire to refer to the reply given to a question I submitted to the Minister representing the Minister for Home and Territories with reference to the gentlemen concerned in the report of Mr. Justice Ewing. These gentlemen, through their legal advisors, have submitted an application to the Government, asking that their case might be considered by some other Commissioner, and, according to the reply I received to-day there is no possibility of their request being acceded to. It would appear from the answer that there is no possibility of these men receiving justice unless they are prepared to raise a riot or make a general disturbance concerning the decision that has been arrived at. According to the information that is contained in the correspondence, it seems that these officers have a very just cause of complaint. I am informed that the position of Commissioner to inquire into the conditions existing in the Northern Territory was deliberately sought by Mr. Justice Ewing, who came from Tasmania and button-holed Ministers in order to obtain the appointment, evidently with the idea of gaining notoriety. Under such circumstances, what chance have the men of getting justice? These gentlemen had no specific charges made against them. Everything was nebulous. If they had been confronted with definite charges they might have had a chance to obtain evidence necessary to meet them.

Senator RUSSELL.—Apart from any evidence, the honorable senator should remember that, from the Government

point of view, they deserted their posts. There was no hearsay about that.

Senator ELLIOTT.—So far as one can judge, they were compelled by armed force to leave the Northern Territory. Possibly it would have been more heroic for them to have died at their posts; but it is questionable whether the terms of their employment called for such devotion to duty.

Senator HENDERSON.—Or whether it would have been profitable.

Senator RUSSELL.—It would certainly have been uncomfortable.

Senator ELLIOTT.—We have seen that other persons who were given an opportunity to meet definite charges, and yet were convicted and sentenced, were, because of an agitation which they were able to engineer in certain quarters, given the privilege of having their cases reheard by this same gentleman, and, as a result, a certain number of them have again been turned loose upon society. It would be a bitter criticism of Democracy if men of that type could secure a re-hearing of their case whilst gentlemen of the type of the administrators of the Northern Territory should be unable to secure from this Government a chance to rehabilitate themselves in the eyes of society.

There is no doubt in my mind that the Royal Commissioner deliberately sought this opportunity to gain notoriety by ingratiating himself with a certain class of persons who he foresaw, or imagined that he foresaw, would be likely to gain power in the Commonwealth, and to whom he was looking for promotion, perhaps, to the High Court Bench, or for some important appointment. For that reason he took the course of damning these gentlemen, who have had no reasonable opportunity to clear themselves. I should greatly dislike to move a vote of censure upon the Government in connexion with this matter; but I suggest to them that, as a matter of justice, these men should have their appeals listened to, and, if it is at all possible, they should be given the opportunity they desire to clear their character, in order that they may make a fresh start in life.

Question resolved in the affirmative.

Senate adjourned at 6.25 p.m.

House of Representatives.

Thursday, 26 August, 1920.

The CLERK reported the unavoidable absence of Mr. Speaker.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter) took the chair at 2.31 p.m., and read prayers.

SETTLEMENT OF SOLDIERS.

Mr. MARR.—I ask the Treasurer whether the Government of New South Wales have declined to settle any more soldiers on the land, alleging as their reason that no more money is available?

Mr. JOSEPH COOK.—I do not know if that is so; but, in any case, what has occurred is due to no fault of the Commonwealth Government. At the last Conference between Commonwealth and State Ministers, a definite understanding was come to about the financing of future soldier settlements, and there the matter rests, so far as I know. There has been no recalcitrancy on the part of this Government.

NORTHERN TERRITORY OFFICIALS.

Mr. PARKER MOLONEY.—I wish to know if Professor Gilruth, Judge Bevan, and Mr. Carey, who were found by a Royal Commission guilty of maladministration, are still drawing their salaries? Has the Government taken, or does it propose to take, any action in regard to them?

Mr. POYNTON.—The statement is not correct so far as Professor Gilruth is concerned; but it is correct in regard to the other two. The matter has been before the Crown Law authorities, whose recommendation I saw this morning for the first time. That recommendation will be placed before the Cabinet.

POLLUTION OF SYDNEY HARBOR.

Mr. MARKS.—I again draw attention to the continued pollution of Sydney Harbor with oil and débris of various kinds. Personally, I am satisfied with the explanation of the Treasurer (Sir Joseph Cook) given when he was Minister for the Navy, and with the personal assurance of my good friend Commodore

Dunaresq, who is in charge of the Fleet, that he is doing everything possible, but considers that merchant ships might also be responsible. I ask the Minister for the Navy, however, if he will confer with the Sydney Harbor Trust so that something may be done to abate the nuisance. What was "our lovely harbor" is becoming "our polluted harbor."

Mr. LAIRD SMITH.—I cannot think that any vessel of the Royal Australian Navy is causing the trouble, because the instruction has been given that oil and débris are not to be emptied into the harbor; and quite recently one of our vessels went a considerable distance outside the Heads to discharge bilge-water. The Sydney Harbor Trust should look after a matter that is its own affair.

Mr. MARKS.—But the Royal Australian Navy is getting the blame for what is occurring.

Mr. LAIRD SMITH.—I shall inquire whether any blame properly attaches to it.

BUDGET.

Mr. AUSTIN CHAPMAN.—In the interests of those who come from a distance, I ask the Treasurer when he intends to bring down his Budget?

Sir JOSEPH COOK.—Very shortly, I hope. The preparation of my statement is being hurried on as quickly as possible; but everything is not quite ready yet.

NAVY RATIONING.

Mr. MARKS asked the Minister for the Navy, upon notice—

1. Whether it is a fact that there is discontent prevailing in vessels attached to H.M.A.S. *Penguin*, and in submarines attached to H.M.A.S. *Platypus* when absent from the latter ship, owing to the difficulty in obtaining certain provisions at the amount allowed per diem, viz., 1s. 8d. and 2s. 2d. respectively?

2. As free rations, or allowance in lieu thereof, form part of the inducements for men to join the R.A.N., cannot better arrangements be made by the official victualling staff at Garden Island to enable the crews of the ships attached to the *Penguin* to obtain all the provisions required by the crews of such vessels at contract prices, instead of, as at present, leaving portion of the actual catering in the hands of a Maltese canteen tenant whose charges are invariably the same as, if not more than, those prevailing on shore in the ordinary trade?

Mr. LAIRD SMITH.—The answers to the honorable member's questions are as follow:—

1. Careful inquiry proves that no discontent exists.

2. The present arrangements are satisfactory. Since the introduction of the increased ration allowance the actual catering is in the hands of the men themselves, who purchase fresh provisions through the canteen tenants. The present tenant is considered perfectly satisfactory, as he has been unanimously re-elected during the last fortnight by the men's committee.

REWARD FOR OIL DISCOVERY.

Mr. CORSER asked the Prime Minister, upon notice—

1. Whether the Government has yet decided when the increased reward of from £10,000 to £50,000 for the discovery of payable oil, which has been foreshadowed, will be made available?

2. Is the statement correct which appeared in the Brisbane *Daily Mail* of the 5th June last, purporting to be made by the Minister for Mines, Queensland, that at the opening of the recent Conference of Premiers, the Prime Minister, in emphasizing the great need for the discovery of petroleum deposits in Australia, stated that the Commonwealth would be prepared to subsidize prospecting to the extent of £1 for £1?

3. If so, will he say when the condition will be made known and the money made available?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. No. The honorable member is probably referring to a statement made by me during the course of the debate on the Anglo-Persian Oil Bill, when I indicated that I was prepared to favorably consider the question of increasing the reward from £10,000 to £50,000.

2. At the Premiers' Conference in May last, when inviting the co-operation of the States in regard to prospecting for oil, I intimated that the Commonwealth was prepared to discuss the matter on a £1 for £1 basis, but no decision was arrived at on the matter.

3. See reply to No. 2.

PENSIONS.

INVALID, OLD-AGE, AND BLIND PERSONS' PENSIONS—WIDOWS AND CHILDREN—HOSPITAL INMATES.

Mr. MAKIN asked the Treasurer, upon notice—

1. Whether the Government intend to amend the Invalid and Old-age Pensions Act this session, so as to provide for an increased earning allowance in view of the high cost of living?

2. Also to amend the Act to enable the pension, without deductions, to be given as a right to blind people?

Sir JOSEPH COOK.—These questions are still under the consideration of the Government.

Mr. McDONALD asked the Treasurer, upon notice—

In view of the probable surplus of revenue to the extent of five or six millions, will he take steps to increase the invalid and old-age pensions to £1 per week?

Sir JOSEPH COOK.—It is regretted that the financial position will not permit of the increase suggested being granted. The Government is, however, considering the question of increasing the amount permitted to be earned by pensioners.

Mr. STORY (for Mr. BURCHELL) asked the Prime Minister, upon notice—

1. Whether he has received a letter from the Women's Labour Branch, Midland Junction, Western Australia, dated 6th August, relative to the granting of pensions for widows and orphans?

2. If so, what action does he propose to take in the matter?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. It is regretted that the financial resources of the Commonwealth do not permit of the introduction of a system of pensions for widows and children.

Mr. CORSER asked the Treasurer, upon notice—

1. Is it a fact that in cases where old-age pensioners become patients in the hospitals their pensions cease temporarily?

2. Is it a fact that twenty-eight days after the pensioners' admission, the hospital authorities can claim 1s. 6d. per day for their maintenance for the balance of their stay?

3. Is it a fact that many hospital committees find a great difficulty in providing the necessary means for the upkeep of their institutions?

4. Under such circumstances, will he cause the full amount of the old-age pension to be made available to the treasurers of the hospitals from the date of the entry of the pensioner to the hospital?

Sir JOSEPH COOK.—I am considering this matter in connexion with questions submitted to me by the honorable member for Lilley (Mr. Mackay) on Friday last.

WAR LOAN CONVERSION.

Mr. MAKIN asked the Treasurer, upon notice—

1. Whether the Government will consider the advisability of providing an annuity for persons who desire the same by converting war loan moneys or sums at present held at call or on fixed deposit in the Commonwealth Bank?

2. Whether the Government will ascertain what provision for annuities to persons holding securities is made by the Governments of Queensland and of the Dominion of New Zealand?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1. Consideration will be given to the matter.
2. The Governments concerned will be requested to furnish this information.

WAR GRATUITY.

Mr. BURCHELL asked the Prime Minister, upon notice—

Whether, in view of the fact that the actual expenditure on war gratuities is now a known quantity, he will introduce an amending Bill to include in gratuity payments members of the Royal Australian Naval Brigade, who by the terms of their enlistment in that brigade were prevented from enlisting in the Australian Imperial Force?

Sir JOSEPH COOK.—This question was given every consideration when the various classes to benefit by the war gratuity were being decided. Those classes were determined by the character of the service rendered, and it is not now proposed to extend the scope of the Act.

AUSTRALIAN IMPERIAL FORCE. OVERSEAS ACCOUNTS: AUDITOR-GENERAL'S REPORT.

Mr. McDONALD asked the Treasurer, upon notice—

1. Will he ascertain from the Auditor-General—(a) were the A.I.F. accounts in England and abroad audited by his Department; (b) were any pay-sheets missing, and to what amount?

2. What was the reason for the delay in placing before Parliament the Auditor-General's report for 1918-1919?

3. Is the staff, in the opinion of the Auditor-General, sufficient in an efficient and expeditious manner to cope with the work to be performed?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1. This information is being obtained from the Auditor-General, and will be furnished later.

2. The report was not available on 24th October, 1919, when the last Parliament was dissolved; it was, however, presented to the present Parliament on the first day of sitting, viz., 26th February, 1920.

3. See answer to No. 1.

WHEAT POOL.

Mr. FLEMING asked the Prime Minister, *upon notice*—

In view of the recent Conference of those controlling the wheat "Pool," can he inform the House as to what the position now is in regard to future dividends?

Mr. HUGHES.—The recent Conference did not discuss the question of further advances, and there is no statement to make in this respect.

BOOTS FOR CADETS.

Mr. CHARLTON asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether it is a fact that boots have not been supplied to cadets for training purposes for a considerable period?

2. If so, will he take action to have boots supplied as early as possible?

Sir GRANVILLE RYRIE.—The answers to the honorable member's questions are as follow:—

1. Yes. For a considerable period boots have been supplied only to those cadets who could be fitted from stocks available. For reasons of economy, and in view of the pending change in the system of Senior Cadet training, no new stocks of boots for issue to Senior Cadets have been obtained for some time.

2. Yes. Boots or shoes will be supplied on authorized scales as soon as funds are made available, and in accordance with the system of training decided upon.

IMPERIAL WOOL CONTRACT.

Mr. FLEMING asked the Prime Minister, *upon notice*—

Can he yet give the House information as to when the 50 per cent. profit of the Imperial Government on Australian wool is likely to be paid?

Mr. HUGHES.—No; but I am addressing a further cable to the Secretary of State for the Colonies on the matter to-day, which it is hoped will result in an immediate interim payment.

REPATRIATION: LAND SETTLEMENT.

Mr. MACKAY asked the Minister representing the Minister for Repatriation, *upon notice*—

1. Whether it is proposed to increase the loan from the Commonwealth to the States for soldiers' land settlement from £625 to £1,000?

2. If so, as the amount of £625 is generally regarded as being insufficient, will the Minister endeavour to make a portion of the additional sum also available to the soldier settler?

Mr. POYNTON.—The answers to the honorable member's questions are as follow:—

1. The agreement provides that the Commonwealth shall advance to the States the sum of £625 per settler (on the average) as working capital, and that a further sum equal to £375 per settler will be made available in connexion with soldier settlement for works, &c., approved by the Commonwealth. It is not proposed to further increase the loan of £625 per settler now made available, which amount was increased from £500 early in 1919.

2. See No. 1.

PACIFIC MAIL CONTRACT.

Mr. STORY (for Sir ROBERT BEST) asked the Prime Minister, *upon notice*—

With reference to replies made by him on the 28th July and the 11th day of August to questions by the honorable member for Kooyong concerning the new mail contract with Messrs. Burns, Philp and Company, will he inform the House—

1. On what grounds the Government agreed that the present rates were to be increased in the first instance by 20 per cent.?
2. Whether the Government consulted the Controller of Shipping as to increasing such rates, and did that officer report that such an increase was reasonable?
3. That in the event of the Government not having consulted the Controller of Shipping, under what authority are Messrs. Burns, Philp and Company now charging 20 per cent. increase.
4. Will the Government take the necessary steps to have the rates and fares fixed on a reasonable basis?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1. The alternative of such increase was the payment of a very much higher subsidy. The increase was approved after careful consideration of all the circumstances, and was intended to assist in covering the increased expense of running the mail steamers. The honorable member is probably aware that, with the release of Inter-State shipping, the Inter-State rates were increased by 20 per cent.

2. No. The Controller had already approved of an increase of 20 per cent. in the coastal freights, and with this increase, the rates are still below those charged on the coast for shorter journeys.

3. The increase has been approved by the Government as incidental to the making of a new mail contract with Messrs. Burns, Philp and Company, which took effect from 1st August, 1920.

4. It is considered that freight and passenger rates are reasonable.

PERTH TELEPHONE SERVICE.

Mr. FOWLER asked the Postmaster-General, upon notice—

1. Whether, as a consequence of the admitted mechanical shortcomings of the Perth automatic telephone service many calls are futile?

2. If so, will the Minister give instructions that while the service is in this imperfect condition a reasonable deduction will be made to subscribers?

Mr. WISE.—Inquiries are being made, and replies will be furnished as soon as possible.

COMMONWEALTH SHIPS.

“BURNSIDE” AND “BRAESIDE.”

Mr. MAHONY asked the Minister in charge of shipbuilding—

1. By whom were the Commonwealth wooden ships *Burnside* and *Braeside* built?

2. What money was paid by the Commonwealth for the building of these two ships?

3. What use is being made of these two ships at present?

4. Were any arrangements made for the sale of the two ships mentioned?

5. If so, with whom were the arrangements made?

6. What were the conditions of such arrangements of sale as to price, &c.?

7. Has the sale of such ships been effected?

8. If not, why not?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. The vessels are being built by Messrs. Kidman and Mayoh, contractors, at Ryde, New South Wales.

2. The amount paid to date is £112,320 12s. 10d.

3. The vessels have not yet been completed.

4. Arrangements have been made for the sale of these two vessels when completed.

5. Arrangements were made to sell the vessels to Messrs. Burns Philp and Company.

6. The price at which it was arranged the vessels should be sold to Burns Philp and Company was £90,000.

7. See answer to No. 3.

8. See answer to No. 3.

PAPERS.

The following papers were presented:—

Invalid and Old-age Pensions Act—Statement for 1919-20.

Ordered to be printed.

Public Service Act—Department of the Treasury—Promotions of—S. R. Peterson, H. L. Cox, B. Perrin, H. H. Emmett, F. B. Lee, J. V. Hawtin.

War Service Homes Act—Land acquired under, at Daylesford, Victoria.

On the motion of Mr. HUGHES, the following papers, laid on the table of the House on the 24th September, 1919, were ordered to be printed:—

Peace Treaty—

Germany—

Rhine Provinces—Declaration by the Governments of the United States of America, Great Britain, and France in regard to the occupation of.

Rhine Territories—Agreement between the United States of America, Belgium, the British Empire, and France and Germany with regard to the Military occupation of. Signed at Versailles, 28th June, 1919.

Poland—

Treaty of Peace between the United States of America, the British Empire, France, Italy, and Japan and Poland. Signed at Versailles, 28th June, 1919.

SUPPLY (Formal).

SUGAR DISTRIBUTION — DEPENDANTS OF MISSING SOLDIERS—NAVY ADMINISTRATION: WITHDRAWAL OF JERSEYS AND BLANKETS: SALUTE FOR NAVAL BOARD — DISABLED SOLDIERS—TARIFF—EXPORT OF SCRAP METALS—POST AND TELEGRAPH DEPARTMENT: DROUGHT ALLOWANCE TO MAIL CONTRACTORS: ALLOWANCE OFFICES: TELEPHONE SERVICE: SYDNEY TELEPHONE EXCHANGE: SUPPLY OF TELEPHONE MATERIAL: COUNTRY MAIL SERVICE: USE OF AEROPLANES — NEW SOUTH WALES: METEOROLOGICAL REPORTS — ANZAC TWEED INDUSTRY—COMMERCIAL AVIATION—WIRELESS TELEGRAPHY — AUSTRALIAN IMPERIAL FORCE: LIFE INSURANCE—PERMANENT MILITARY FORCES: PAY OF INSTRUCTIONAL STAFF: RETENTION OF WAR RANK—PUBLIC SERVICE SALARIES—WAR PRECAUTIONS — SHIPPING REGULATIONS.

Question—That Mr. Speaker do now leave the chair, and that the House resolve itself into Committee of Supply—proposed.

Mr. CHARLTON (Hunter) [2.45].—I desire to bring under the notice of the Minister for Trade and Customs (Mr. Greene), the unsatisfactory distribution of sugar, which is a matter of consider-

able importance to very many people. For some time past difficulty has been experienced by the co-operative societies in getting supplies, and although the matter has been previously brought to the notice of the Minister ground for complaint still exists. For instance, the Cessnock society is unable to get anything like a fair and adequate supply, and the secretary in a letter which I have received to-day says—

I wish to bring under your notice that for several weeks we have only been able to obtain very small quantities of sugar in comparison to the turnover of the above society, which for grocery only is at the rate of approximately £85,000 per annum.

From observation and information received, I am of the opinion that several storekeepers in this district are receiving larger quantities of sugar than we do, and their turnover is considerably less.

Our normal requirements are approximately 4 tons per week, and for the last six weeks we have only received 7½ tons to satisfy the requirements of 1,500 families (approximately 24 tons). When you take into consideration that we supply practically the whole of the requirements of the above families, it must be brought very forcibly before you that several of our shareholders are without sugar.

For the last six months we have obtained the whole of the sugar that we have received from the New South Wales Co-operative Wholesale Society, Newcastle.

Personally, the writer would like to know if it is on this account that the society's sugar is received in such small quantities?

I have been requested by certain members of the Committee to point out that in their opinion we are not receiving a fair distribution of sugar, and several shareholders are thinking about taking industrial action unless we receive sugar in larger quantities in the future than we have in the last few weeks.

Trusting that you are in a position so that you will be able to take steps and try to get this matter rectified, and stop any thought of industrial action.

I hope that some effort will be made to reach finality in this matter. The secretary of the society says that he does not know whether the reason for his society not receiving greater supplies is the fact that it obtains its sugar direct from the co-operative wholesale company, but I know, and I think the Minister knows, that when that company was established some years ago it supplied all the co-operative societies in the Newcastle district, and it found the greatest difficulty in getting any supply at all. Even when it did get a supply it was denied the 2½ per cent. rebate which

was given by the Colonial Sugar Refining Company to other customers. I do not know whether that anomaly has been rectified.

Mr. WATKINS.—The Minister promised me that it would be rectified.

Mr. GREENE.—So far as I know, every customer who takes upwards of a specified quantity receives the same rate of discount.

Mr. CHARLTON.—It must be evident that the wholesale co-operative company would take the specified quantity, because it is a very big concern. There is another difficulty which suggests that for some reason or other the Colonial Sugar Refining Company is working in harmony with other storekeepers to the detriment of the people interested in the co-operative society. Local storekeepers who have not anything like as big a turnover as has the co-operative society are yet able to get greater supplies than are allowed to the society, which is thus placed at a disadvantage. Many customers who require sugar are obliged to go elsewhere, and the storekeeper says to them, "I cannot supply you with sugar unless you purchase your other goods from me."

Mr. MAXWELL.—That is what the storekeepers do say.

Mr. CHARLTON.—That ought not to be permitted. The Government have control of sugar supplies, and there should be no differentiation between a co-operative store and any other. Every store should get, in proportion to its requirements, a fair share of the supplies available. There can be no complaint if that is done, but it would appear that some traders are able to get adequate supplies of sugar while others can get nothing like the quantity required for the purposes of meeting the demands of their customers. Co-operative stores are particularly affected, especially the wholesale co-operative concerns, which have recently been established in an effort to cut out the middleman, but which are meeting with great obstacles. As the Government control the distribution of sugar, this obstacle at least could be removed. The Government ought to be able to tell the Sugar Refining Company to act fairly, and in the event of a shortage to distribute the amount of sugar available in proper

proportion to all traders. I appeal to the Minister to put the supply of sugar on a more satisfactory basis.

Mr. MATHEWS (Melbourne Ports) [2.52].—The other day I moved the adjournment of the House to deal with the unsatisfactory distribution of sugar. I can assure the Government that I did not do so merely for the purpose of obstructing business, but because there is among a lot of traders considerable difficulty in obtaining supplies. Of course, I realize that a Minister cannot be expected to go into all the details of everything connected with his Department, but he is supposed to have some officers under him on whom he can rely for information concerning those details; and when it is said that the distribution of sugar is unfair, I think he ought to take steps to discover what is the real position. It is useless for him simply to say, "I have received such and such information from my officers," that being an end of the matter as far as he is concerned. The case I mentioned the other day was that of a man who, as is well known by those associated with him and others trading in the district, has not been getting his fair share of sugar. When the House was dealing with the sugar agreement the Prime Minister (Mr. Hughes) assured us that all purchasers of half a ton of sugar could secure the full rebate.

Mr. GREENE.—That was not the promise. He said that purchasers could go straight to the Colonial Sugar Refining Company and get their sugar, and that they would get a full rebate according to the quantity they bought. The rebate is not the same for half a ton as it is for 100 tons.

Mr. MATHEWS.—My memory is that half a ton was fixed as the minimum on which the full rebate would be given, and that quantities beyond half a ton had to be secured through some wholesale house. However, since I raised this matter last week, I have received numerous letters emphatically asserting that the writers have not got their full rebates, although they have purchased half a ton of sugar. It would appear that although they have offered to purchase half a ton at a time, they could only get a few bags, and although in the aggregate their purchases amounted to half a ton, the full

rebate was not allowed to them. Honorable members opposite must have heard of the difficulties which traders are suffering in the matter of securing supplies of sugar. If they have not heard complaints in this direction they are indeed very fortunate. Possibly, the traders know that it is useless to approach them, because, being under the thumb of the Government, they may not care about kicking over the traces. However, this is not a party question. The honorable member for Hunter (Mr. Charlton) did not raise the matter as such, and I have not done so. Surely on a matter of this kind honorable members on both sides of the House ought to be able to add to the information already put forward, and the Minister ought also to be pleased to get it.

Thousands of our soldiers who went overseas have not been repatriated from Great Britain; they are missing; but, unfortunately, many of them left dependants in Australia who are now quite unprovided for. I quite realize the difficulty of the Department in having to support persons who have been found guilty of some crime or misdemeanour, but it is unfair to penalize the dependants of those men. Some of the cases which have been brought under my notice relate to men who were at the Front for years, and proved themselves to be good soldiers. Their meritorious conduct was brought under the notice of their superiors. However, after distinguishing themselves in this way, through some cause brought about by the stress of war conditions, they committed offences, not only military, but also civil, and, in order to evade punishment, they deserted. Their dependants here were, of course, maintained by the Defence Department until the information was cabled out that the bread-winners had deserted, when naturally the separation and allotment payments were suspended until the men were found again. The payments were restored then, and continued until the offenders were punished and discharged, after which the dependants received no further support from the Defence Department. These dependants were guilty of no offence. The action of the husband or son in deserting is no more the fault of the wife, or children, or parents dependent on him

than it could be regarded as the fault of a widow that her husband was killed. Yet the latter continues to receive support from the Government while the former are deprived of any assistance whatever.

Mr. MCGRATH.—The man who is supposed to have deserted may have been killed for all the Department knows about the circumstances of his case.

Mr. MATHEWS.—I know that that is quite possible, because of what I have been told by dozens of men who have returned. When there was to be a "hop-over" the men in the "booby hatch" were taken out and put into the line, where they were willing enough to go. They hopped over with the rest, but many of them did not come back, and, not having been properly released from prison, were regarded as having escaped.

Mr. MCGRATH.—It was quite a common occurrence to take them out of prison in such circumstances.

Mr. MATHEWS.—There are many peculiar circumstances associated with the act of desertion, and we ought to realize that we have a responsibility to those women and children who were dependent upon those who have been reported missing from that cause. At any rate, the fault was not theirs, and when they make application to the Defence Department for consideration of their peculiar situation, I hope the usual stereotyped reply will not be given to them. I am sure that the Assistant Minister for Defence (Sir Granville Ryrie) sympathizes with these women and children; but the time has come when the Ministry as a whole must recognise that we owe something to them, and should provide for them, irrespective of whether the men did or did not desert. It is unfair that the women and children should suffer for any offence committed by the men. I know that the Department has had the matter under consideration for some time; but in the light of information now in its possession, that thousands of men who went overseas have been reported as having deserted, and have never returned, something should be done for these people. These missing men may not have deserted in the ordinary sense of the word, and many of them may not be alive to-day. Had they deserted their

families here, proceedings could have been taken against them in the Law Courts; but the Government, having taken these men away for service overseas, should do something for their wives and children, who have been left without means of support.

Mr. WEST (East Sydney) [3.3].—In June last, a general order was issued that the men of His Majesty's Australian Fleet in Sydney Harbor were not to don their jerseys, and were to be deprived of the extra blanket usually issued to each of them during the winter months. I brought the matter before the Naval Board, and the only excuse offered to me was that a similar order had been issued to the sailors on the *Renown*. Surely the health of the men, rather than any mere desire for uniformity, should be the first consideration; and I hope that the Minister for the Navy (Mr. Laird Smith) will see that the order is immediately cancelled. A few days after its issue, a number of the men were found to be suffering from colds, and other complaints usually due to insufficient clothing. I do not think many members of the Naval Board are familiar with Australian conditions. The blood of a man who has been on an Australian Naval Station for some time is not as thick as that of a man who has only recently arrived from the Old Country, and therefore our Naval Forces need to be amply clothed. I do not think the present Minister had anything to do with the issue of this order.

Mr. LAIRD SMITH.—This is the first I have heard of it.

Mr. WEST.—It was issued while the present Treasurer (Sir Joseph Cook) held office as Minister for the Navy. I think the right honorable gentleman knew just about as much of Naval matters as did Sir Joseph Porter, who sang, in Gilbert and Sullivan's comic opera, *H.M.S. Pinafore*—

I polished up that handle so carefullie
That now I am the ruler of the Queen's
Navee.

I bring this matter before the House in the hope that it will receive the special attention of the Minister. Members of the Naval Forces, under the King's Regulations, are not permitted to approach members of Parliament, and this information has therefore been supplied indirectly to me. I hope that the Minister

will not allow the men to be deprived during the winter months of the additional clothing necessary for the preservation of their health.

There is another matter to which I wish to direct the attention of the Ministry. A regulation was issued last June setting forth that when the Naval Board approached a warship in harbor a salute of fifteen guns should be fired. I could understand the firing of such a salute on the arrival of the Minister for the Navy, because his appearance on board a warship would be something in the nature of a curiosity. The Minister for the Navy (Mr. Laird Smith) is laughing, but this is not a laughing matter. I think the present Treasurer (Sir Joseph Cook), when he was at the head of the Navy Department, was possessed of too much sense and experience to sign a regulation enforcing this reception of the members of the Naval Board. Those gentlemen who compose the Board are, after all, only civil servants, just as Under-Secretaries are, and do not call for this special recognition. I know that when I approach, or write, to them on any naval matter, I am told to apply to the captain of the ship concerned; but this I refuse to do, preferring to communicate with the Department direct. As a representative man, I refuse to be snubbed; and as the men of the Navy are in my electorate I intend to let them see that their member is a "live" one. The firing of this salute represents an unjustifiable expenditure of ammunition and labour. Why is it necessary to announce the arrival of the Naval Board in this way? Is it to insure that the officers and men are in their places, or is it to awaken the officers in order that they may show themselves about the ship? The only excuse for such a salute seems to be that a similar one is accorded to the Lords of the Admiralty at Home, but those Lords of the Admiralty have some distance to go in the English Channel before reaching the vessels, and an announcement of their approach may be necessary. That, however, is not the case in Sydney Harbor. If the idea on the part of the Naval Board is to inspect the ships, the better way would be to arrive unannounced. This firing is so alarming sometimes, I am told, that children playing in the Domain run home

Mr. West.

and tell their parents a foreign foe is arriving. My relations with the members of the Naval Board are quite friendly, but it is my public duty to draw attention to this unwarrantable expenditure, and, if possible, see that these fireworks cease. I see that the regulation to which I refer was issued over the signature of the Minister for the Navy (Mr. Laird Smith), on 13th May, this year. It describes the flag of the Naval Board, and directs that it is to be saluted "by firing fifteen guns, within the waters of the Commonwealth of Australia, on the same occasions as those on which the Admiralty flag is saluted." I hope that the Minister for the Navy will see the wisdom of revoking this regulation, so that our expenditure on the Navy may not be unnecessarily increased, and the whole administration conducted on the lines of Australian Democracy.

I should now like to refer to the position of our blind and otherwise hopelessly disabled returned soldiers, who have made some very strong appeals to me. Some of these men have lost both arms and legs, and they ask, and, I think, should have, special attention. One case, a very hard one, is described in the following letter:—

We have in our association two members—Mr. W. Lockyer, of Leichhardt, and Mr. A. B. Turner, of Rozelle—who have had each two legs and an arm amputated. These men should be given a home of their own. Mr. Lockyer's mother and wife told our association that at present Lockyer and his wife have one room at his mother's residence. To get about from room to room he rolls along the floor, as invalid chairs are too big to get through the doorways. This shows the necessity of building a house to suit such terrible cases. The house need not be big, but the doors could be made wider, and other little conveniences introduced, to make their lot at any rate a little easier than it is now.

I can remember as a lad seeing the men from the Crimea and earlier wars, and realizing acutely the cruel treatment and hardships they suffered. We do not wish to see such cripples begging in the public streets of Australia.

Mr. Poynton.—Are you referring to our own soldiers here?

Mr. West.—Yes, in the streets of Sydney and other places. I will read a statement about the matter which has been sent to me—

The street bands, which consist mostly of able-bodied, returned men, make a practice of

engaging as collectors returned soldiers who have had a leg or an arm amputated. These men do not wear their artificial limbs even if they have one, and they rattle their collection boxes under the noses of the public, and as there are generally three or four of them out to each band the public are being exploited to an unjust extent. If the limbless men got the money themselves it would not be so bad, although begging would be deplorable, but the present position is that the able-bodied returned soldier "battens" on the limbless men.

That is a thing which we should try to stop. I do not know if the Minister can contradict the statements with which I have been supplied, but I would point out that they are the statements of the secretary to the Limbless and Maimed Soldiers Association. He says—

A man who has an arm or a leg amputated receives his pension of 31s. 6d. per week, and 10s. 6d. from the Repatriation Department while undergoing vocational training. A married man receives only £2 15s., out of which must be deducted pension of 31s. 6d. for himself and 13s. 6d. for his wife, in all a pension of 45s., so he only receives from the Repatriation Department 10s.

The present system of vocational training means that the man who receives £1 or £1 10s. per week from a private employer is better off financially with his pension added to that sum than if he went to the Repatriation Department and went through vocational training.

It is useless to put questions on the notice-paper, because very often the official replies do not accord with the views of the Minister who gives them, and I have known cases in which Ministers have been very much annoyed with the replies with which they have been furnished. I think that I am justified in drawing attention to these matters on the day devoted to the discussion of grievances, and I hope that something may be done to give relief. I hope, too, that the popgun business with the Naval Board will be discontinued. It is a pity that we have not a Gilbert and Sullivan in Australia to take advantage of the burlesque situations which so often arise here, and would furnish out an opera or two which would be funnier than any of their famous series.

Mr. POYNTON.—If the honorable member will give me a proof of the report of his remarks, I shall have the matters to which he has referred inquired into.

Mr. WEST.—The Minister for the Navy (Mr. Laird Smith), being new in office, is, no doubt, anxious to please his

officials, and has not given proper consideration to the complaints concerning the condition of Sydney Harbor.

Mr. LAIRD SMITH.—I wish that the honorable member would come to my office and get the facts of the case, instead of getting them from Woolloomooloo.

Mr. WEST.—If the Minister wishes to be insulting in his reference to Woolloomooloo, let me tell him that there are no Labour "rats" there. Woolloomooloo is the equal of any part of Hobart, the town from which he comes. Should I ever sit on the Treasury bench, the House may rest assured that I shall be dignified, and say nothing disrespectful to my fellow members.

Mr. GREGORY (Dampier) [3.30].—Yesterday the Prime Minister, I do not know under what standing order, was able to deliver a lengthy statement, in which he attacked me rather strongly. I do not think that he should surreptitiously obtain privileges here other than those allowed to honorable members generally, but prior to the asking of questions he replied to a statement that I had made on the previous Friday in relation to a Trade and Customs matter. Before dealing with the Prime Minister's remarks, let me say that it is time that the new Tariff schedule, which was laid on the table about four months ago, was discussed by Parliament, and the duties definitely fixed. Parliament approved of a new Tariff in 1908, and in 1914 an amending schedule was brought in, which was never considered; but, at the end of a session extending over two or three years, was validated by means of a short Bill. Then, this session, another amending schedule, still further increasing the duties, has been introduced; but we have not been told when it will be dealt with. I understand that the Customs authorities are imposing duties according to the schedules of 1908, 1914, or 1920, whichever may contain the highest rate.

Mr. FENTON.—Do you say that the Department is collecting duties on three different schedules?

Mr. GREGORY.—It is applying in each case the highest rate applicable to that case in any of the three schedules. Because I had not been able to get a definite reply to questions I had asked, and

correspondence I had had with the Department, regarding the embargo on scrap steel and scrap iron, I complained in the House on Friday last of the treatment that I had received. As I have said before, I do not know whether there was a justification for this embargo. I have a great objection to embargoes of the kind, and would not give to a Minister the power to impose them. When an embargo on exportation is necessary for the building up of any industry, it should be imposed by Parliament, and those in this country owning the product affected should be protected, and should receive a fair price from those who purchase from them. I asked what action the Government had taken, by regulation or otherwise, to provide that the owners of scrap steel and scrap iron would receive a fair price for their metal, and I have never had an answer to that question. In his long statement the Prime Minister carefully ignores it.

Mr. RYAN.—Do you suggest that he evaded the point?

Mr. GREGORY.—Most distinctly; he has done so both in correspondence and in his statement. He says that my recollection of the facts is not accurate. Not having been dealing with this matter I am not able to form a judgment as to whether or not the embargo is necessary, but the Government, having seen fit to impose an embargo, it is their duty to see that the owner of the scrap is protected. I asked the Government whether there is a buyer of tin scrap in Western Australia, and, if so, what action the Government are taking to insure that the buyer pays a fair price to the owner? Surely that is fair. The Prime Minister was rather offensive in his reply to my question. He said—

Instead of permitting dealers to export metals to the East to be worked up by cheap Asiatic labour, the Government insist upon the scrap being utilized locally, provided the users are prepared to pay a reasonable price.

All I am asking is that the owners shall be paid a reasonable price; but the Government are taking no action to insure that that is done. The Prime Minister continued—

The Government cannot permit dealers to export the life-blood of the electric steel industry to the East to be worked up there by cheap coloured labour.

There is no necessity for the sneer contained in that statement or to endeavour to obtain cheap clap-trap popularity; but there is a necessity to see that the owners of the scrap get a fair deal. If the Prime Minister wishes to hit hard I will do likewise. We have had quite enough scandal in connexion with the formation of the Zinc Producers Association. I have previously described in the House how the Broken Hill Company and the Mount Lyell Company, and other big concerns, were coerced into forming themselves into a combination to give to the Zinc Producers Association, comprising only a few persons, absolute control of the zinc industry, and the right to not only make contracts for the companies, but to also fix their prices for the next fifty years. Honorable members will recollect that about a couple of years ago there was a large accumulation of tin scrap in the hands of jam-makers and others. I remember the Red Cross Society in Melbourne circularizing people with a request that they should save their jam tins and blacking tins, and send them to the Society. In this way the Society accumulated about 3,500 tons of tin scrap, for which it could obtain only 5s. to 7s. per ton locally. A request was made for permission to export the scrap to Japan, where buyers were offering up to £4 15s. per ton. I produced in the chamber a sale note from Dalgety and Company to a Japanese firm for 500 tons of tin scrap, f.o.b. Melbourne, at £4 15s. per ton.

Mr. AUSTIN CHAPMAN.—Was that at the same time as permission to export was refused the Red Cross Society?

Mr. GREGORY.—It was shortly afterwards.

Mr. HECTOR LAMOND.—Fancy the Red Cross Society wanting to build up Japan!

Mr. GREGORY.—What is the use of talking that nonsense? Instead of £30,000 or £40,000 coming into the country through sales overseas, the scrap was sent to the rubbish heap.

Mr. HECTOR LAMOND.—That is better than building up Japan.

Mr. GREGORY.—Does the honorable member say that it was wiser to throw the scrap into the rubbish heap than to sell it for £4 15s. per ton to foreigners?

Does he not know that at that very time Australia was selling to Japan copper, tin, zinc, and spelter? He might as well say that we should not have sold wool-tops to Japan. But the honorable member will be very silent in regard to the wool tops. I hate these stupid interjections. The jam manufacturers were anxious to sell their scrap, because they knew the price that Japan was offering meant tens of thousand of pounds saved, and a deputation from them waited upon Sir John Higgins as the representative of the Attorney-General. They were told that they would not be allowed to export; they must take their material to a local factory. The first charge to be met would be the cost of treatment; the second charge would be a certain rate of interest on the capital invested in the plant, and then the owners of the scrap would get 75 per cent. of the profit, if any, and the owners of the plant 25 per cent. There was no guarantee that the owners of the scrap would receive any return at all, although they were to be wholly responsible for the cost of treatment, which up to that time had not been very successful, and would have to guarantee the interest on the capital; the result was that thousands of pounds worth of scrap tin was thrown on to the rubbish tips. If an embargo on any of these articles is to continue, the Government should, by regulation or otherwise, see that the owners receive a fixed price equal to what they could obtain elsewhere; but so far as Western Australia, at any rate, is concerned, no action has been taken to see that the owners get a fair price. I am not associated in any way with dealers in scrap, but I have received letters from different people complaining of the embargo.

Mr. FENTON.—To what country did they want to send the scrap?

Mr. GREGORY.—In one particular instance it was desired to send old horse-shoes to Hongkong, but I am dealing with the question generally. Admitting, for the sake of argument, that the embargo is justified, I say that it is the duty of the Government to see that the owner of the scrap is paid the fair market value.

Mr. RYAN.—Why not move an amendment to that effect?

Mr. GREGORY.—I do not think any such action is necessary.

Mr. PARKER MOLONEY.—In other words, the honorable member's speech is not loaded.

Mr. GREGORY.—If the honorable member will assist me on some other occasion, he may find that I have a loaded gun.

Mr. RYAN.—I will help the honorable member to fire a gun.

Mr. GREGORY.—I am a little afraid of the assistance which the honorable member would give me in connexion with embargoes; he might be a little too fond of them. The Prime Minister's lengthy reply yesterday dodged my question, which was whether the Government would insure, if the embargo continued, that the owners received a fair market value. I again ask them to take action in this matter, and, if necessary, make a regulation or appoint an officer for that purpose.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—The honorable member's opening remarks, if allowed to pass unnoticed, might be construed into a reflection on the Chair. I understood him to say that he did not know why the Prime Minister had been allowed to make such a lengthy statement. Any objection to the Prime Minister's statement should have been taken at the time it was made. My recollection is that yesterday the Prime Minister, as Ministers often do, said he desired to give a further reply to a question which had been asked by the honorable member for Dampier last week, and which had been partially answered by another Minister. That course is often followed without any objection being raised, and so long as a Minister's reply is relevant to the question, its length is of no concern of the Chair. I do not think the honorable member for Dampier intended to reflect upon the Chair.

Mr. GREGORY.—Certainly not.

Mr. DEPUTY SPEAKER.—But if his remarks were allowed to pass unnoticed they might create that impression.

Mr. GREGORY.—I made no reflection upon the Chair, but I thought the Prime Minister had taken advantage of his position to make a lengthy reply at that stage. If you, Mr. Deputy Speaker, think I made any reflection on the Chair I withdraw it unreservedly.

Mr. PARKER MOLONEY (Hume).—[3.48].—I am not at all satisfied with the answer to a question I asked yesterday of the Postmaster-General (Mr. Wise) as to whether he was in agreement with the circular letter that had been sent to the mail contractors in regard to the drought allowance. Some little time ago a deputation from this side of the House waited upon the Postmaster-General.—

Mr. AUSTIN CHAPMAN.—From only that side of the House?

Mr. PARKER MOLONEY.—Yes.

Mr. AUSTIN CHAPMAN.—We, on this side of the House, have been making representations in Parliament.

Mr. PARKER MOLONEY.—I understand that honorable members from both sides have taken part in deputations to the Postmaster-General, but no member on this side was asked to accompany the deputation arranged by honorable members opposite. And later on, seeing that on this side of the House there are as many honorable members interested in this particular matter as there are on the other side, and especially as it concerns country districts, we had a deputation to the Postmaster-General. We asked for reconsideration of an instruction issued from his Department that all the mail contractors who had entered into contracts from 1st January of this year should not receive a drought allowance, and he promised that he would go into the matter. In view of the fact that some of these tenders had been submitted as far back as August and September last, he said that it was only fair that full consideration should be given to the matter. He seemed to be entirely sympathetic.

Mr. LAVELLE.—He was.

Mr. PARKER MOLONEY.—Before he was Postmaster-General, he frequently displayed his sympathy towards the mail contractors, but I am inclined to think that he is not a free agent in the matter, and that he has had shackles imposed upon him either by the Treasurer or by the Government, and is thus not able to carry out what he would desire to do.

Mr. RILEY.—The Treasurer has made the statement that he can get all the money he requires.

Mr. PARKER MOLONEY.—I think that what the Treasurer said was that all the money required for the settlement of soldiers on the land would be provided,

but I do not think that such an assurance can be relied on any more than the statement that the Postal Department can secure all the money it needs. It is not only in regard to mail contractors that I condemn the Postal Department. I think its administration is wrong from beginning to end. I am glad to note that the Minister (Mr. Wise) in control of the Post Office is now in the chamber. If he has a free hand in this matter, I cannot excuse him, because his sympathy is utterly useless. He must accept the full responsibility for the attitude adopted by his Department towards these unfortunate mail contractors who, as the circular issued to them informs them, can get no relief in the case of contracts dating back to the 1st January last, because the Department says they must have known at the time whether their tenders were payable or not. The man who has lived all his life in the post-office probably cannot be blamed for taking up such an attitude, but the Minister ought to know that the excuse offered is most trivial. The price of fodder in January last was only about half what it was last month.

Mr. WISE.—That is not correct.

Mr. PARKER MOLONEY.—In January last, the price of fodder was from £7 10s. to £9 per ton.

Mr. RICHARD FOSTER.—Where?

Mr. PARKER MOLONEY.—I have with me a letter in which the writer states that he purchased chaff in January last at £7 10s. per ton, and that it cost him £16 10s. to £18 per ton last month.

Mr. RICHARD FOSTER.—In January last the price of chaff in South Australia was £8 per ton, and to that price must be added the cost of removing it to New South Wales.

Mr. PARKER MOLONEY.—Chaff could be purchased in New South Wales in January last at £8 to £9 per ton, and this mail contractor informs me in his letter that he was able to get it at £7 10s. per ton, whilst last month he was obliged to pay £16 10s. to £18 per ton. All these facts indicate that the statement that the mail contractors in January last were in a position to know whether their tender would be payable or not was entirely erroneous, and one the Minister should not have sanctioned.

Mr. RICHARD FOSTER.—Special relief ought to be given for an extraordinary drought year; otherwise tenders will all be double what they have been previously.

Mr. PARKER MOLONEY.—The drought in New South Wales extended over a period of three years, and the honorable member must be well aware that many mail contractors have been absolutely ruined.

Mr. RICHARD FOSTER.—That must be the case.

Mr. PARKER MOLONEY.—They cannot carry out their contracts. It is useless to wink at this matter. The Postmaster-General answered my question yesterday by saying that he acquiesced in the policy set out in this circular, but I am at a loss to know his reason for doing so. My interpretation of his attitude is that he does not really acquiesce in this policy, but that he is unable to do anything in the matter, because the Treasurer will not give him the money he requires.

Mr. WISE.—I am not blaming the Treasurer on this occasion.

Mr. PARKER MOLONEY.—Then the Postmaster-General must accept the whole responsibility, and I hope that he will take an opportunity of making a statement in regard to this matter, which is a very sore point with the mail contractors in the drought areas, not only in New South Wales, but all over the Commonwealth as well.

Sir JOSEPH COOK.—It may be, and it would be a sore point with the Minister if he is not careful of what he is doing.

Mr. PARKER MOLONEY.—So, apparently, it is the Treasurer who is responsible.

Sir JOSEPH COOK.—No; the responsibility lies with the gentleman who was Postmaster-General for four years.

Mr. PARKER MOLONEY.—What interpretation can I put on the remarks of the right honorable gentleman?

Sir JOSEPH COOK.—Let me explain. In my young days I set out, as Postmaster-General, to do away with all the sweating on mail routes, and I gave the old contractors advantages of one kind or another that I thought were fair. But immediately I began to do so, every individual contractor or would-be contractor who had sent in a tender got his member of Parliament to ask what favoritism was being displayed, and declared that if he had known these favours were to be conferred he would have been prepared to submit a lower tender. Of

course, I had immediately to drop all my altruistic notions, and fall back on public tendering: That is what I mean.

Mr. PARKER MOLONEY.—The Treasurer's explanation is all very fine, but it does not touch this matter at all. The right honorable gentleman was referring to ordinary times. I was speaking about a drought allowance. This is a matter which must be considered on its merits. If there had been no drought there would have been no request for a revision of tenders. It is because there has been an extraordinary drought, which has affected not only New South Wales, but the whole Commonwealth, that tenders have been affected, and the contractors are asking for some allowance.

Sir JOSEPH COOK.—When the drought threatened the tenderer added to his price accordingly, but if another man did not do so, relying on action in Parliament in order to get equal, where are we?

Mr. PARKER MOLONEY.—If that be the case, why was an allowance made last year on account of the drought? There was no cavilling at the allowance last year. It was considered just and equitable. It ought to be equally just and equitable to make an allowance this year.

Mr. WISE.—The drought was in existence in January of this year, when they entered into these contracts.

Mr. PARKER MOLONEY.—Now we are getting the matter boiled down. I am pleased to hear the Minister make such a statement. It is just this one point I wish to see threshed out. The Department says that, in January of this year, the contractor ought to have known whether his tender was likely to pay him; whereas I contend that it was impossible for him to know it. As a matter of fact, the drought did not end in January, but continued for six months afterwards. The worst part came after January, and last month the price of fodder was twice what it was at the beginning of the year.

Mr. LISTER.—Was not the tenderer influenced by the drought of the previous three years when submitting his price for the coming year?

Mr. WISE.—Hear, hear!

Mr. PARKER MOLONEY.—He may have been influenced by the drought of the past, but how was he to know that it was likely to continue for another six months? He might have believed that it

would be over in the following month, and tendered accordingly. I am disappointed with the decision of the Postmaster-General to acquiesce in the contents of the circular issued by the Department to the mail contractors. His attitude will be regretted not only by those contractors, but also the persons who receive the mails through the services of these men and know the hardships they suffer, and who, in many cases, are subsidizing the contractors.

Mr. RICHARD FOSTER.—Is the honorable member speaking of new contracts or old ones?

Mr. PARKER MOLONEY.—My remarks refer to new and old contracts. Although a contract might date from 1st January this year, the tender might have been submitted some months previously, but under the decision of the Department, as expressed in the circular I have mentioned, the people submitting tenders in August last can get no relief.

Sir JOSEPH COOK.—Two men tender, one man puts up his contract price because of the outlook, and the other man takes the risk.

Mr. WISE.—The whole system of tendering goes by the board.

Mr. PARKER MOLONEY.—The whole system is influenced by matters over which these men have no control.

Sir JOSEPH COOK.—That is not the point.

Mr. PARKER MOLONEY.—It is. Subsequent to the 1st of January, there was a six months' drought, which these men could not foresee.

Mr. POYNTON.—Supposing that fodder had fallen after the contracts were made?

Mr. PARKER MOLONEY.—In that event I presume the honorable gentleman would have required the mail contractors to carry out their contracts at lower rates. In this case, as in every other, the Department wins at the expense of the men. I would remind the Minister for Home and Territories (Mr. Poynton) that this is a serious matter, not only to hundreds of mail contractors, but to many of the people who are served by them. But for the subsidies paid by people who are served by these men, it would be impossible for many of them to carry on their contracts. The attitude that has been taken up by the Department is entirely wrong, and cannot be too strongly condemned. If there

is a majority in this House prepared to support such an iniquity, then it is a reflection on the whole Parliament.

The administration of the Department, lock, stock, and barrel, is wrong. In making that statement I am only repeating what the present Postmaster-General said when he was not in office. On 15th July, 1915, as reported in *Hansard*, Vol. LXXVII., page 4953, the honorable gentleman, who was then a private member, followed the honorable member for Eden-Monaro (Mr. Austin Chapman), who had made a very telling speech in regard to the Postal Department. He said—

After hearing the honorable member for Eden-Monaro and also various Postmasters-General, I can only wish that honorable members would hold the same opinion in office that they do when in Opposition.

That was his view as a private member. I desire now to point out the hardships suffered by allowance officers. Everything relating to allowance post-offices in country districts is on a wrong basis. The present Postmaster-General, in the speech from which I have just quoted, went on to say—

Over and over again I have heard Postmasters-General say that the allowances are not intended and do not profess to be living salaries. At the same time I cordially agree with the denunciations of the reductions that are made from time to time. Some of them are exceedingly petty. I know of one case where, because the business had fallen off as compared with that of the preceding year, the allowance of £5 a year was reduced by £1. It is a pettifogging thing for a great Commonwealth to insist upon a reduction of £1 per annum in any individual's allowance, and I think that all these matters might very well be looked into so that some general rule might be adopted upon the subject.

Mr. HECTOR LAMOND.—The present Postmaster-General has put a stop to such reductions.

Mr. PARKER MOLONEY.—I am waiting for him to adopt some general rule.

Mr. WISE.—The honorable member, of course, is not aware that we have added, this year, £67,000 to the payments to allowance officers.

Mr. PARKER MOLONEY.—How should I be aware of that fact? The honorable gentleman will have an opportunity to inform the House of it.

Mr. WISE.—It has already been intimated.

Mr. PARKER MOLONEY.—Having regard to the number of allowance post-offices in Australia, an additional £67,000

would not go far. It would mean but an infinitesimal increase in each case.

Mr. WISE.—It is, at all events, very much more than your own Government put on.

Mr. PARKER MOLONEY.—We are speaking about the present.

Mr. WISE.—And I like to compare it with the past.

Mr. PARKER MOLONEY.—We have to take things as we find them. The honorable gentleman, in speaking of "your own Government," refers, I presume, to a former Labour Government?

Mr. TUDOR.—Which he supported.

Mr. PARKER MOLONEY.—Yes. I have here a eulogy of the Labour Government by the present Postmaster-General.

Mr. WISE.—That was in regard to country telephones.

Mr. PARKER MOLONEY.—Yes. The honorable gentleman said, in the course of the speech to which I have already referred—

The second Fisher Government reduced that guarantee—

The guarantee required of applicants for telephone lines in country districts that they would provide the whole of any deficiency—

to one of 50 per cent. of the deficiency, which was a very great consideration, and I have never failed to give credit to this Government for having made that reduction.

Mr. WISE.—Its own supporters would not even give it credit for that.

Mr. PARKER MOLONEY.—And yet the honorable gentleman just now condemned that Government's administration of the Postal Department.

Mr. WISE.—In respect of allowance post-offices.

Mr. PARKER MOLONEY.—Quite so. My experience as the representative of a country electorate is typical of that of all representatives of rural districts. There is in my constituency a district the residents of which nearly two years ago supplied the poles for a telephone line, put up the necessary money, and asked for the work to be carried out. The Department, however, has not yet taken action. It tells these people that there is a shortage of material. The Department is shirking its responsibility.

Mr. WISE.—What is the district?

Mr. PARKER MOLONEY.—I am referring to a request for a line from Cootamundra to a district some miles distant, the name of which I have already

supplied to the honorable gentleman. These people have fulfilled their obligations, and yet no consideration is extended to them. I do not wish to labour this question. I shall be content to quote the view expressed by the honorable gentleman when he was a private member. I have never believed that the Postal Department should be a concern run for making profits. It is a public utility, and ought to be conducted in the interests of the people. Those who have to battle in the back country districts are surely entitled to some consideration. When they ask for a telephone line, why should they be required to guarantee to such an unreasonable extent to make good any deficiency on its working? Surely they are entitled to reasonable facilities. If people were not prepared to go into the back country the Commonwealth would never progress. Dealing with this particular question, the present Postmaster-General said in this House on 15th July, 1915—

I desire that it shall be clearly understood that, in my opinion, the Postal Department is not a Department that ought to be run for the purpose of being made to pay.

Mr. WISE.—That is my view to-day.

Mr. PARKER MOLONEY.—Then, when are we to have an announcement that applicants for country telephone lines will not be required to make good any deficiency, as under present conditions?

Mr. WISE.—I announced months ago that we had decided to ask them to pay only 25 per cent. of any deficiency.

Mr. PARKER MOLONEY.—The honorable gentleman, in this speech, went on to say—

The Department was established for the purpose of furthering the social and commercial intercourse of the people, and the places where the services of the Post Office are mostly required, and are of most value to the individual, are in those country districts where the Post Office does not pay, and where it probably will not pay for very many years. The large surpluses made in the cities could not be better expended than in giving better postal communication to country districts, and I hope that we shall soon reach the time when, wherever there is a reasonable settlement, the people there will not only have a decent mail service, but decent telephonic communication as well, without their being called upon to contribute anything by way of a guarantee.

That was the honorable gentleman's view when he was a private member of the House. Let it be clearly understood that I am not dealing with the honorable gentleman from a personal stand-point. I believe that he is

more sympathetic towards the requirements of country districts than is any other member of the Ministry.

Mr. RYAN.—He is probably hampered by other members of the Cabinet.

Mr. PARKER MOLONEY.—I have already said that I believe there are shackles placed upon him; I hope he will get rid of them.

I shall not conclude my speech after the manner of the honorable member for Dampier (Mr. Gregory), who this afternoon started off with a full head of steam against the Government, and in the end simply fired blank cartridge at them. When he was shown by the honorable member for West Sydney (Mr. Ryan) how he could take effective action, he apparently had no desire to hurt the Government; but I do not content myself with adopting such an attitude.

I now wish to refer to a postal matter which affects all the country from Sydney southwards to Albury, and I do so because it is a concrete example of the hardships inflicted on country residents. Country mails close in Sydney at 5 o'clock in the afternoon, and a letter posted at, say, five minutes to 5 o'clock on the Tuesday is delivered at, for example, Wagga, next morning; but if a letter be posted at five minutes past that hour, it is not delivered at the latter place until the following Thursday.

Mr. WISE.—I should like to hear the honorable member if he were representing the postal employees in Sydney!

Mr. PARKER MOLONEY.—I know that the blame is put on to the unions, but I am going to suggest a remedy for the anomaly which involves no union trouble at all. A fast mail train leaves Sydney at five minutes past 10 o'clock at night, but it is not utilized for carrying the mails, which are sent on by a slow newspaper and goods train at five minutes past 2 o'clock in the morning.

Sir JOSEPH COOK.—Do you know the reason for that? It is in order to give the men an hour off.

Mr. WISE.—That is the fact.

Mr. PARKER MOLONEY.—I know that the responsibility is put on to the shoulders of the men, but no private company in any part of the world would conduct its business on such lines. The goods train in the morning takes about twelve hours longer, to do the journey than does the fast mail train. The Postmaster-General (Mr. Wise) tells us that

this delay is caused in order to give the men an hour off—that if they were kept on duty until 7.30 p.m. they would kick up a row. But the present arrangement does an injury to thousands of people, who have to wait twenty-four hours longer for their mails; and if the staff at the present time would raise any complaint about being kept at work, and allowed full overtime rates, could the staff not be increased?

Sir JOSEPH COOK.—What about economy?

Mr. PARKER MOLONEY.—It is false economy to cause injury to thousands of people. I have already quoted the Postmaster-General himself, when speaking as a private member, as an effective answer to any plea of economy.

Mr. MAHONY.—Who is responsible for the present arrangement—the Treasurer?

Mr. TUDOR.—The Treasurer has never refused the Post Office any money.

Mr. MAHONY.—Is that true—that the Treasurer has not refused the Post Office any money?

Sir JOSEPH COOK.—I have not since I have been Treasurer.

Mr. PARKER MOLONEY.—That is important, because it throws the whole responsibility on to the Postmaster-General.

Mr. WISE.—Who is quite prepared to take it!

Mr. PARKER MOLONEY.—In order to give an opportunity to honorable members who feel strongly on this matter to express their opinion and show their disapproval of the postal maladministration, I move—

That after the word "that," the following words be inserted:—"the Postmaster-General be requested to provide increased postal and telephonic facilities for country districts, and to grant a drought allowance to mail contractors for the year 1920."

Mr. LAVELLE (Calare) [4.30].—I have much pleasure in seconding the amendment, and the eloquent expressive speech of the honorable member who moved it does not leave much to be said. I have a very vivid recollection of a deputation from this side of the House which waited on the Postmaster-General (Mr. Wise) some time ago, in connexion with the payment of a drought allowance to country mail contractors in New South Wales. The Postmaster-General then stated that he, or the Department, had decided to pay a drought allowance to

those mail contractors in the drought-stricken areas whose contracts commenced prior to 1st January this year. This decision had been arrived at after three or four months' consideration, and after the Department had received scores of letters from members of the House—in fact, after the Department had been flogged into action by the members of this side. The Postmaster-General informed the deputation that an allowance having been decided upon, he would see that payment was expeditiously made; but, so far as I have been able to ascertain from the mail contractors in my electorate, not one, after two months have gone over, has received any drought allowance this year. The Postmaster-General decided that the cases of mail contractors whose contracts started from the 1st January would be considered on their merits, adding that, if any contractor put in a contract, say, five or six months before the end of the year, he probably would not be in a position to know what the conditions were likely to be at the beginning of this year and onwards, and, no doubt, an allowance would be granted. But, as a result of letters sent to me, I find no instance in which any consideration has been given to men whose contracts started at the beginning of the year, irrespective of what time they put in their tenders. Here is the reply from Mr. Young, Deputy Postmaster-General in Sydney, dated 20th August, this year—

With reference to the communication presented by you from Mr. W. Carbury, mail contractor, Goolma, asking for further assistance owing to the cost of fodder, I have to intimate that, as he must have been in a position to know whether or not the price at which he tendered for the service from 1st January, 1920, would pay, he is not entitled to any drought allowance. His request cannot, therefore, be acceded to.

When this man put in his tender he could buy chaff at less than £10 a ton, whereas, to-day, although the drought has been broken in the district for about two months, he has to pay over £20. It is only reasonable to assume that his tender was put in at the least a couple of months before the end of the year, but even supposing it was delivered in the last week of December, it was then reasonable to assume that chaff would not go higher in price, or that the drought would soon be broken. I am of opinion that the Deputy Postmaster-General in Sydney has deliberately set his mind against granting any allowance where contracts commenced

from the beginning of this year, although there is no doubt that in the case to which I have referred, and all similar cases, an allowance should be granted. There is another section of mail contractors who happen to live in parts of the State which have not suffered from drought, but where they have to pay an additional price for chaff, owing to the fact that practically all the rest of the State was suffering. It is impossible to run mails with grass-fed horses; they must have chaff and grain; and even if it should happen that there is an ample supply of grass to keep ordinary stock alive, it does not follow that there is sufficient suitable fodder for mail purposes. As the result of the drought which prevails over practically the whole of the remaining portion of the State, these men are penalized, also. The Postmaster-General, I repeat, promised to give the mail contractors consideration, but, so far as I have ascertained, none has yet been shown to them. The Department should realize its debt, and that of the settlers, to the mail contractors. In a great many instances, persons living in outlying parts are subsidizing them to enable them to keep going, notwithstanding that they themselves have been so hard hit. I hope that the Postmaster-General will see that his Deputy for New South Wales gives more consideration to the request made to him. I might say that I hope that the honorable gentleman will run his own Department. The Treasurer stated to-day, as on half-a-dozen other occasions, that he has never yet refused the Postmaster-General's Department money required by the head of that Department. I hope, therefore, that the Postmaster-General will see that an adequate allowance is paid in every instance, and that the payments are expedited.

The lack of adequate telephone communication is a crying grievance in every part of Australia, and I hope that the Department will give earnest consideration to the needs of the people in this matter. If any section of the community deserves more consideration than another in the supplying of telephones, it is that section which lives in the inland districts of Australia, where the conditions of life are far from pleasant. More brightness, happiness, and contentment might be given to these people if the Department would provide them with adequate postal

and telephone communication. On the eve of an election, some persons term the men and women of the country the backbone of Australia, but, after the election, they leave these people in isolation and loneliness, without adequate means of communication. I hope that the Department will get to work immediately, and see that the grievances to which I have called attention are rectified.

Mr. HECTOR LAMOND (Illawarra) [4.39].—I am sorry that the amendment has been moved, because it prevents us from discussing a number of matters affected by the administration of Ministers other than the Postmaster-General.

Mr. MAHONY.—No; we can have a division now.

Mr. HECTOR LAMOND.—There can be a division when the amendment has been discussed, but the discussion of it may not conclude until the small hours of the morning. The action taken is a selfish one, and, if for no other reason, I shall vote against the amendment. The affairs of the Postmaster-General's Department are admittedly in a deplorable state. Some of the defects are due to the war, and, as I and many other members have said, Australia will not enjoy the services that she should have until the funds at the disposal of the Postmaster-General have been enormously increased. Another thing needed is the abolition of the centralized administration of Melbourne. Could I control the actions of the Postmaster-General, I would insist on his spending half his time in States other than Victoria. I have before me some startling figures indicating the advantages that Victoria derives through Melbourne being the temporary seat of government. These figures were given in another place in reply to a question, and have to do with the applications for the instalment of telephones that are awaiting attention. Let me quote the figures for two States only. This is the state of affairs disclosed—

New South Wales—	
Sydney	517
Suburban	3,770
Country districts	876
Totals	5,166
Victoria—	
Melbourne	347
Suburban	1,104
Country districts	740
Totals	2,191

So that in Victoria the number of applications awaiting attention is less than half the number in New South Wales. Melbourne is not so large, nor so important, a city as Sydney, but the difference in size does not justify the facts to which I have just drawn attention.

Mr. JOWETT.—Nothing can justify the provinciality of your observations.

Mr. HECTOR LAMOND.—The evidence of provinciality is in the figures themselves. The honorable member is one of those who are trying to prevent New South Wales from having the Federal compact carried out, and the Seat of Government removed to the Federal City, so that this Parliament may not continue to be shackled by Victorian influences. The return from which I have quoted demands the serious attention of all members representing New South Wales constituencies. Excuses founded on the war, the shortage of material, droughts, and the like, do not avail to explain the facts. The figures show that when material is available it is used in Victoria, and that New South Wales applications do not receive the same treatment as applications made in this much-favoured State. The position of affairs would be bad enough if the two States contributed equally to the revenue of the Post Office; but between 40 and 50 per cent. of the money that is expended is contributed by New South Wales, and considerably more than 50 per cent. of the available money must be spent in Victoria. A trip through Queensland would open the eyes of the Postmaster-General to the real difficulties of Australia. Victoria is a small State, which one could almost walk across in a couple of days, but the Department has to provide means of communication for States as big as Queensland, where the honorable member for Grampians has his far-flung domains; and I am surprised that, deriving so much from that State, he should take up the cudgels in defence of the parochial administration which favours Victoria.

Mr. JOWETT.—I have not said a word against any State in Australia.

Mr. HECTOR LAMOND.—In defending administration that discriminates against New South Wales and in favour of Victoria, in the way I have shown, the honorable member is practically condemning the State of Queensland.

Mr. JOWETT.—I am not defending the Postal administration; I condemn it.

Mr. HECTOR LAMOND.—The same sort of thing as I am complaining of happens in the administration of most of the Departments. When the lists of new appointments are published, it is Melbourne nearly every time that benefits. When Commissions are issued, there are two Melbourne Commissioners to every Commissioner from another State. The Government of this country is, in short, conducted from Melbourne, and everything is seen through Melbourne eyes. I should not object to that so much were this capital the head of a big State, in which Australian conditions generally were represented. Were the Postal administration centred in Brisbane, there would be some understanding of the big problems of settlement which confront us; but with the Government in Melbourne, regulations which might be applied to the conditions of England are being applied to the conditions of Australia, and these regulations are entirely inadequate, so far as the larger States are concerned. I have some sympathy with the Postmaster-General, who has not been long in office. Some of the criticism directed against him has not been quite fair. He has to look round before he can do much, and we keep him too much chained to Parliament. I hope that he will take an opportunity to visit and live in some of the other States, and to administer his Department there, so that he may learn something of the problems which have to be solved, and the condition of the people, and thus be able to take a broader and larger view.

Mr. LIVINGSTON.—He knows what to do, but he requires more money.

Mr. HECTOR LAMOND.—The Treasurer has told deputations, and has said in this House, that he has not withheld money from the Postmaster-General's Department. I admit that the errors of the past have been such that no Postmaster-General, no matter what his gifts or his knowledge might be, could bring the Department to a state of efficiency within a year or two. I am glad to know from correspondence that I have had from the present occupant of the office, that he sees eye to eye with me on one matter: the need for doing the utmost to bring about the use of material which can be manufactured or procured in Australia. I doubt, however, that he is receiving from some of his officials the support in this matter which he is en-

titled to expect. Much material is used which, it seems to me, could easily be obtained in this country, especially if sufficient inducement were offered. If the Postmaster-General wishes, as I believe he does, to make his administration effective, he must not only say that these things should be done, but see that the officers intrusted with the doing of them do their duty. We ought not to be so much dependent upon foreign countries for a great deal of the material used in the Postal Department, and we would not be if an advanced policy were pursued. The cheapest market is not the best for some of our Departments. Even if we had to pay a good deal more for them it would be infinitely better if we could obtain in Australia many of the requirements for the Departments, rather than that 5,000 people in one State should be unable to get telephonic communication and be deprived of those conveniences which, in a modern community, people have a right to expect.

The state of some of the post-offices is appalling. In my own electorate there is a post-office in the centre of 12,000 or 15,000 people where the accommodation for the public will allow only about twelve persons to be present at the one time. At times the street traffic is blocked by people waiting their turn to enter the post-office. About £400 is required to improve the accommodation, yet year after year goes by without the conditions being altered from what they were when the building was erected twenty-five years ago. That centre would be called in some States a city, yet the post-office accommodation is only equal to that in some of the small country towns. When the ex-Postmaster-General (Mr. Webster) visited the place he decided immediately that the accommodation must be extended; two years have gone by and nothing has been done. The excuse at that time was that the Treasurer would not find the money, but to-day that excuse is not valid, because the Treasurer will find the money. Urgent works of this character should be put in hand at the earliest possible moment. The whole administration of the Postal Department calls for a thorough investigation at all centres of administration, and I plead for a policy of giving wider power to the Deputy Postmasters-General. This centralizing of every petty detail in Melbourne should give place to a policy by which the people who are

nearest to the job, and know most about it, should have the right to decide when a work is necessary in the interests of the Department.

As to the subsidy for telephone services, I think the present Postmaster-General is deserving of thanks for what he has done. I was surprised to hear some of the criticisms of him to-day upon that score, because it must be admitted that one of the first things he did on assuming office was to endeavour to make easier the conditions of people living in the remote districts where the telephone services were unprofitable. When one criticises a Department it is only fair to try to look at it from the point of view of the man in charge. Whilst everybody will indorse the proposition that the people who go into the remoter parts of the country to develop the land and produce those things which are necessary to our financial stability, should be considered, little reflection is needed to convince one that there must be some discrimination as to the extent to which these benefits can be given in the different localities. We cannot say that because one man chooses to go 500 miles away from the bigger country centres the Commonwealth must immediately spend £500 or £1,000 in giving him the same facilities as he would have had had he settled nearer a town. There must be some line of demarcation between the things that can be done and those that ought to be done. But when all this is admitted, the policy introduced into the Department a few years ago of attempting to make the post-office a commercial concern was entirely detrimental to the settlement of the country. If we are to ask people to go into the remoter districts we must provide them with facilities, and the proper course is to charge more for the facilities given in populous centres, and apply the profits therefrom to the extension of telephonic and telegraphic services in the districts further out. That is the policy upon which the Post Office should be operated, and if there still remained a claim upon the general revenue for postal facilities, Parliament should be anxious to see that the Postmaster-General had sufficient money to enable him to carry the benefits of civilization to the remoter districts.

MR. JOWETT (Grampians) [4.56].—I rise to support the amendment in favour of giving increased mail and telephonic

facilities in country districts and the granting of greater concessions to mail contractors, who have been placed in a most unfortunate position owing to their contracts having covered a period of severe drought, which could not have been anticipated by them when the contracts were made. First of all, I desire to express my regret that an entirely foreign matter has been imported into the discussion in the shape of an unprovoked and unjustifiable attack upon the State of Victoria and its people. The professed justification for this attack is some statistics which show that there are more applications for telephones which have not been supplied in New South Wales than there are in Victoria. The explanation of this state of affairs given by the honorable member for Illawarra (Mr. Hector Lamond) is, apparently, partly that the Postmaster-General (Mr. Wise) is a Victorian, and also that practically everything in the Central Department of the Post Office is seen solely through Victorian eyes, and that there is no one to take the larger and broader vision which the honorable member for Illawarra always has taken, and, no doubt, always will take. Although I have not been a member of the House as long as has the honorable member, I have some recollection of past Postmasters-General, and it will be interesting to refresh the memories of honorable members as to the States from which these Ministers came. Of course, it is obvious that a large number of the telephone applications which have not been met were overdue before the present Postmaster-General assumed office. It will be remembered that up till December last the Postmaster-General, an exceedingly able and efficient Minister, was Mr. Webster, the then member for Gwydir, in New South Wales, and practically the whole of these overdue applications accumulated while he held office. It therefore seems unreasonable to blame the present Victorian Postmaster-General for the present overdue accumulations. And as regard the past, I find from the *Year-Book* that the Postmaster-General in the first Federal Administration was the late Lord Forrest, of Western Australia, who was succeeded by the Hon. J. G. Drake, who came from Queensland, and later, Sir Philip Fysh, who was a Tasmanian re-

presentative. Therefore, at the commencement of Federation, at any rate, the control of the Postal Department was in the hands of men from the more distant States. They were men of wide vision and mighty capacity, who were able to handle these Australian and almost Imperial problems in a way which the honorable member for Illawarra apparently thinks that no Victorian could do. In Mr. Deakin's first Administration the Postmaster-General was again Sir Philip Fysh. When Mr. Watson formed his first Ministry the Honorable Hugh Mahon, from Western Australia, took control of the Postal Department. He was not one of those narrow-minded and short-visioned Victorians. In the fourth Federal Administration the Postmaster-General was the Honorable Sydney Smith, who came from the State of New South Wales. The next Postmaster-General, not least honoured of them all, was the honorable member for Eden-Monaro (Mr. Austin Chapman)—again a representative of the Mother State.

Sir GRANVILLE RYRIE.—The honorable member does not infer that we are still suffering from his administration.

Mr. JOWETT.—No, the Commonwealth has survived. The Postmaster-General in the first Fisher Administration was the Honorable Josiah Thomas, yet again a representative of the great State of New South Wales. I regret that that gentleman is no longer a member of this Chamber, but he graces the proceedings in another place. In the next Administration the Postmaster-General was a Victorian, Sir John Quick; I do not know whether it will be alleged that this was the reason why that Ministry was so short-lived.

Mr. LIVINGSTON.—He was a very good Postmaster-General.

Mr. JOWETT.—He was one of the ablest men who ever graced this Chamber, and was one of the founders of the Constitution.

Mr. RYAN.—To what is the honorable member leading up?

Mr. JOWETT.—The remarks of the honorable member for Illawarra seem to imply that much of the trouble that befalls the administration of the Post Office and other Departments of the Commonwealth is due to the fact that certain

gentlemen representing and residing in Victoria are in office.

Mr. AUSTIN CHAPMAN.—And he accused the honorable member of having "Canberraitis," and of having thrown stones at Queensland at the dictation of the Age.

Mr. JOWETT.—If I replied to all the accusations made by some honorable members, who are obsessed absolutely by the word "Canberra," there would be no time left for me between now and 10 o'clock to-night in which to say anything in regard to other matters.

Mr. CUNNINGHAM.—I rise to a point of order. The honorable member's statement that he would not reply to certain interjections from honorable members whose brains had been eaten into by suggestions of Canberra reflects very seriously on certain honorable members who represent New South Wales constituencies, and wish to have a solemn compact honoured. It is an affront for a member of a provincial and parochial State like Victoria to refer in such a manner to those who represent New South Wales constituencies, and are quite within their rights in claiming that a solemn compact should be honoured.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—That is no point of order.

Mr. CUNNINGHAM.—I ask that the statement be withdrawn.

Mr. DEPUTY SPEAKER.—If the honorable member made use of the words attributed to him, I ask him to withdraw them.

Mr. JOWETT.—I have much pleasure in withdrawing any reference to Canberra if it gives offence to others. If the subject had not been mentioned by way of interjection I would not have raised it.

The next Administration I quote is that of my right honorable peerless, priceless, friend, Sir Joseph Cook. In his Ministry, it is true, the Postmaster-General was the Honorable Agar Wynne, who was a Victorian, but, at any rate, the Prime Minister represented a New South Wales constituency. In the Third Fisher Administration the Postmaster-General was the Honorable William Guthrie Spence, a splendid Minister, whose absence is a great loss to this House. He represented a New South Wales constituency. The next Government was the First Hughes

Administration, and the Postmaster-General in that Ministry was the Honorable William Webster, again a representative of a New South Wales constituency.

Mr. LAZZARINI.—What happened to him?

Mr. JOWETT.—To my deep regret and that of an immense number of people of Australia, he is no longer in this House, but he was a great statesman, a great Postmaster-General, and a distinguished member of this House. He was also Postmaster-General in the Second Hughes Administration, and in the Australian National War Government. Of course, the present Postmaster-General is a Victorian, as we all know, but I have shown conclusively that there is not the remotest justification for the narrow-minded charge, the most absurdly ridiculous and trumped-up implication that the destinies of the Post Office have suffered in the past or are suffering at present by being placed in the hands of Postmasters-General representing Victorian constituencies.

Now, having shown that the omissions of the Department are not in the remotest degree due to the fact that its administration has been in the hands of honorable members representing any particular State, I approach the question raised by the honorable member for Hume, that of giving relief to mail contractors who took up their contracts as from 1st January of this year. It is said in defence of the attitude of the Department that when the contracts were entered upon, the tenderers knew that the drought was in progress, and no doubt took into consideration the cost of feeding their horses. I maintain, however, that it was impossible for any one working stock in the interior of Australia on 1st January last to take a contract based on the existing cost of fodder in the belief that, if the drought continued, he could carry it on profitably, and I doubt very much whether a contractor would make any profit on a contract for five years to cover the losses sustained during the last six months. The honorable member for Robertson (Mr. Fleming) knows well that the people living in the interior of Australia are a sanguine, optimistic race, and that they would not have taken on the contracts unless they believed that the drought would break up almost imme-

diate, or that they would be able to continue to buy fodder at the price ruling in January when their tenders were submitted; but we did not get the summer rains we expected, and the price of fodder, instead of decreasing, went up to a figure never previously known in the history of Australia. Lucerne hay fetched as much as £20 a ton.

Mr. LAVELLE.—Prices doubled.

Mr. JOWETT.—Yes, they increased to at least double what they were at the beginning of the year.

Mr. BELL.—That could not have been the case.

Mr. JOWETT.—It may not have been the case in Tasmania.

Mr. BELL.—Tasmanian prices are ruled by the Sydney market quotations.

Mr. JOWETT.—As a general rule, they may be, but it was not the case during this year because of the grave difficulty in regard to shipping.

Mr. LAVELLE.—Mail contractors are paying £20 per ton for chaff in my electorate.

Mr. JOWETT.—Yes, and they are paying the same price in many other parts. A few months ago I met two farmers returning from South Australia to the Darling Downs district in Queensland. The people there were paying £17 or £18 a ton for lucerne hay, and it was almost unprocurable; but hearing that fodder was cheaper in South Australia, they had sent these two gentlemen to that State to make purchases on their behalf. When the delegation got to Adelaide they found that they could buy chaff at a much lower price than was ruling in Queensland, but they found also that it was absolutely impossible for them to get freight to take it to their State. The position may have been the same in Tasmania. Fodder might have been cheap and abundant in that State, but there was not sufficient freight available to enable it to be shipped to the mainland, where it was so badly needed to keep stock alive.

Some of my honorable friends speak as if I took a provincial view of these matters. I probably know more of every State in the Commonwealth, with the exception of Western Australia, than does any other honorable member.

Mr. PROWSE.—Then the honorable member is deeply lacking experience of a great State.

Mr. JOWETT.—I may be deeply lacking experience of a great State which will ever be associated with the name of a great statesman, the late Lord Forrest; but I hope to have an opportunity to acquire that experience. The result of the difficulties in the transit of fodder from one State to another, and the extreme drought in northern New South Wales and Queensland, was that it was absolutely impossible for mail contractors to foresee on 1st January last the price to which hay would soar during the remaining half of the financial year.

Sir JOSEPH COOK.—Can the honorable member tell us roughly what is the difference in price?

Mr. JOWETT.—Not from memory; but for quite a considerable period in northern New South Wales and Queensland, lucerne hay was selling at £20 a ton.

Mr. FLEMING.—As against £13 or £14 per ton at the beginning of the year.

Mr. JOWETT.—Yes; that was a ruinous rise. No man would have taken up a mail contract had he thought that he would have to feed his horses throughout the year on fodder costing even £14 per ton. When, instead of an anticipated reduction in the price of hay, maize, and oats, they were compelled to pay practically double rates, they were brought face to face with a very real grievance.

Sir JOSEPH COOK.—I can conceive of fodder being dearer, but in some parts there might be plenty of grass for horses.

Mr. JOWETT.—My right honorable friend's point is a very good one.

Sir JOSEPH COOK.—In the bad old days, many mail contractors never dreamt of buying fodder for their horses. Their horses were all grass-fed.

Mr. JOWETT.—I do not suppose that there is any district in Australia where the mail contractors did not have to feed their horses during the first six months of the year. It is not practicable to submit horses to the exceedingly heavy work attaching to the carriage of mails without giving them something more than grass.

Sir JOSEPH COOK.—In many cases, I think they are fed only on grass.

Mr. JOWETT.—I have undertaken many long coach journeys in Australia, and cannot recall any great mail road contract under which the horses which were employed had nothing more than grass to eat. I understand that the duration of these contracts varies.

Mr. WISE.—They generally run three years.

Mr. JOWETT.—That was my impression.

Sir JOSEPH COOK.—But in the case of the three years' contracts, relief would be given. The trouble relates to only the new contracts.

Mr. JOWETT.—That is so. I remind the Treasurer that if the seasons were good for the next two and a half years, the contractors might be able to recoup some of their losses, but who has ever known of consecutive good seasons over a long period? I have been closely connected with the pastoral industry for something like forty years, and I cannot remember anything of the kind.

Mr. BELL.—Then the contractors must also have known that it was unreasonable to expect good seasons for two and a half years.

Mr. JOWETT.—But they did not know that there would be such a period of extreme drought.

Mr. MAXWELL.—Would not the proper time to review these contracts be at their termination?

Mr. JOWETT.—These men have to pay their way. I do not know whether any honorable member has ever been reminded of the state of his banking account, but I am quite sure that many mail contractors during the last six months have had very serious reminders from their bankers. That being so, if any relief is to be granted, it must be given immediately.

Mr. FLEMING.—Does the honorable member make the considered statement that he has never known of two and a half consecutive good years in Australia?

Mr. JOWETT.—I do, and I can take the honorable member month by month over the records from 1876, when I came to Australia, until 1920.

Mr. RICHARD FOSTER.—The honorable member for Grampians is right.

Mr. LIVINGSTON.—He is wrong.

Mr. JOWETT.—My honorable friend the honorable member for Barker (Mr. Livingston) represents a particularly favoured spot in the neighbourhood of Mount Gambier, which is probably freer from drought than is any other part of the Commonwealth. Valuable though his testimony may be, I must, therefore, put it aside.

I wish now to deal with the general question involved in the amendment

submitted by the honorable member for Hume (Mr. Parker Moloney). It covers, I take it, improved telephone and postal facilities for country districts, and also the payment of allowance officers. As I have no wish to weary honorable members, I do not propose to exhaust all the subjects that have been touched on during this debate; but I would impress upon the House the fact that any money expended on granting improved telephone and postal facilities in country districts, must be a very profitable investment. If it is not profitable, then there is something at fault, and action should be taken to remedy it. Residents of country districts, as well as of our cities, are crying out for better telephone facilities, and are quite prepared to pay for them at remunerative rates. The Postmaster-General (Mr. Wise), new as he is to office, is ripe in experience of this subject, as has been evidenced by the quotations made this afternoon from his magnificent speeches. I shall simply conclude by impressing upon the Postmaster-General in the strongest terms that there is every justification for expending, as an investment outlay, very largely increased sums on telephone services for country districts.

Mr. RYAN.—If the honorable member were to address a few words on the same point to the Treasurer, it might be helpful.

Mr. JOWETT.—The Treasurer, like Pilate of old, has already washed his hands of “this just man,” the Postmaster-General.

Mr. LAIRD SMITH.—The honorable member surely does not suggest that the Postmaster-General is to be crucified?

Mr. JOWETT.—I am not quite sure whether the process of nailing his fingers to the political cross has not already commenced this afternoon, and I therefore shall not add to his tribulations. I simply implore him to give the fullest and most sympathetic consideration to the terms of the amendment, which I intend to support.

Mr. PROWSE (Swan) [5.35].—I have no desire to “stone-wall” this amendment. I want to vote upon it, and, therefore, I shall not enter upon a discussion of the genealogies of past Postmasters-General. Having regard to the important work which the people in the out-back districts of Australia are doing for the nation, I feel that more atten-

tion should be given to their postal requirements, and to the provision of other facilities for them. Mr. Knibbs, the Government Statistician, tells us—1917-1918—that the Australian primary producers contribute 76 per cent. of the wealth of the Commonwealth, and the secondary industries 24 per cent. In that State, to which an honorable member has just referred as one of “sin, sand, and sorrow”

Mr. RICHARD FOSTER.—And “sore eyes!”

Mr. PROWSE.—In the land, as the honorable member interjects, of “sin, sand, sorrow,” and “sore eyes,” from which I come, the primary producers are responsible for 86 per cent. of the wealth of the State, and the secondary industries for 14 per cent.; in other words, throughout the Commonwealth the wealth created by the primary producers is £56 7s. 6d. per head, and in little Western Australia £56 10s. per head. If we go into city factories we find three or four telephones, one in each room, so that there may not be the inconvenience of running from one part to another, whereas those who produce 86 per cent. of the wealth have to drive 20 miles to a railway station to see whether their goods have arrived; and, on many occasions, only to be disappointed, and faced with a long, wet, and cold drive home, when a telephone would have saved this valuable time. At the same time, a surplus of £500,000 resulted last year from the working of the Postal Department of Australia. That money goes into the general revenue, and is devoted to other purposes than postal extension, although the Department should be conducted solely as a service in the service of the people. This is not the way in which real statesmanship should apply the money; and the present “cheeseparing” must cease. I am not saying anything against the present Postmaster-General (Mr. Wise); indeed, conditions have been somewhat liberalized since he assumed office, though they are still cramped. There seems to be no vision of Australia as a great producing country, which requires all the postal, telegraphic, and telephonic facilities that modern ingenuity can devise. We are a producing country, and the first consideration of this Parliament should be

the provision of facilities for those people who are the most likely to lift the burden of debt from our shoulders. I suppose I have written 150 applications to the Department for telephones for the homes in the backblocks of Western Australia, and of these about 2 per cent. have been granted. My communications have been answered courteously, and, in explanation of the lack of telephonic communication, it has been explained that there are not sufficient people in the localities concerned. But do the Government desire to have cities in these country places? Are we to wait for a congested population before a modern time-saving invention is applied to enable us to compete with other countries? It would be infinitely better to add another halfpenny to the cost of our postage stamp in order to provide these postal facilities, which undoubtedly would prove reproductive. No longer ought a profit to be made by means of a Department which should be administered solely in the service of the people.

Some mail contractors are placed at such a disadvantage at present that they cannot fulfil their contracts, and they should be given some consideration. Fortunately the land they speak of as one of "sin, sand, and sorrow" is so fertile that we have not suffered from drought; indeed, we could supply the drought-stricken eastern States with fodder. I support the amendment, not in the interests of my own State, but because it is right and reasonable that consideration should be given to the conditions under which these mail contractors work, and that the rural postal services should be rendered efficient.

Mr. LIVINGSTON (Barker) [5.39].—The honorable member for Grampians (Mr. Jowett) is an authority on all Australian matters, but when he says that he has never known two and a half years of good seasons in Australia, he makes a statement capable of doing more damage to our financial institutions than any that could be made.

Mr. ROBERT COOK.—Do you wish him to tell lies?

Mr. LIVINGSTON.—It would not be lies, as the honorable member knows. There is not the slightest doubt that every derogatory statement of that kind will be cabled to London, and Australia

will be again represented as a drought-stricken country, whereas it is one of the finest in the world. As a matter of fact, Australia at the present time is suffering from too much water. In South Australia some £2,500,000 is being spent in drainage work which, when finished, will render the State one of the most fertile in the Commonwealth, if not in the Empire. At a time like this, when we require money, statements such as that made by the honorable member for Grampians ought not to be allowed to go forth and reach the ears of those who lend money.

The Postmaster-General (Mr. Wise) has duties of the greatest importance, and I think he is one on whom we can rely to perform them. As pointed out already, all our previous Postmasters-General came from New South Wales, and there is no doubt we had a very good one in the person of the honorable member for Eden Monaro (Mr. Austin Chapman). Now we have the present Postmaster-General, who is alive to the fact that we must have postal facilities, and all he requires to provide them is money. Previous Postmasters-General did very good work indeed; so good, indeed, in my constituency, that, when we get telephonic communication between Mt. Gambier and Adelaide, our system will be about complete. Apparently, whenever it is thought fit to economize, the Postal Department is selected as that in which to begin, though it is the very last place where there should be any lack of expenditure. People must have telephonic and telegraphic communication and general postal facilities in the cheapest form; and until these are provided we cannot blame people for electing to remain in the big cities. Given good roads, schools, good mail services, with telegraphic and telephonic communication, and other conveniences, we should find our young men and others quite willing to settle in the country. It is to that end we should work, instead of wasting so much time in idle talk here. We have been sitting now for three months and have practically done nothing, and, under the present system, I am afraid we should do no more if we were to remain here for three years. If I had my way I would put a stiff time limit to speeches, so that we might get on with the work of the country. We, as a Parliament, ought to meet prepared to work all together in the interest of the

country, and not be so continuously fighting one against the other. One great change that might prove effective is the institution of elective Ministries, which would result in our getting some men from the other side, and so unite the talent and brains of the House. With elective Ministries I believe we should be able to pull together in the interests of Australia and of the Empire.

Mr. CONSIDINE (Barrier) [5.45].—I am glad to hear the honorable member for Barker (Mr. Livingston) advocate elective Ministries, with the object of obtaining some "talent" from this side of the House; and the protest made by the honorable member for Hume (Mr. Parker Moloney) shows the necessity for the adoption of some such suggestion, or, failing that, turning the Labour minority into a majority. The amendment is very appropriate in view of the many protests and applications sent by mail contractors in the district I represent to the Postal Department. In a number of cases the Department has recognised the disadvantages under which these mail contractors suffer and has afforded some sort of relief. The telephonic and telegraphic facilities in my electorate are by no means what they should be, or what they were. They have been reduced to such an extent that protests are continuously being made, but, from what I hear, from other honorable members, that is characteristic of the postal service throughout the country.

Mr. GABB.—The district of the honorable member for Barker (Mr. Livingston), who is a Government supporter, is better off.

Mr. CONSIDINE.—I do not know why that constituency should happen to be a postal paradise. The Postmaster-General (Mr. Wise) knows that prior to his taking office I several times emphasized the necessity for the extension of postal and telephonic facilities in the country; indeed, at various times during the life of the last Parliament, even Government supporters threatened the Government because of their lack of such facilities. The promises of the honorable member for Balaclava (Mr. Watt), when Acting Prime Minister, in this regard have not been carried out, for the curtailment of services still goes on, while there has been a reduction in the remuneration paid to post-office attendants.

Mr. WISE.—Where the business falls off.

Mr. CONSIDINE.—Business can easily fall off if, as in my own electorate, between Wentworth and Broken Hill, a stretch of country of about 55 miles, is left with no facilities for the carriage of correspondence. From time to time, members representing country constituencies are informed by the Postmaster-General's Department that, unless the residents within a certain area are prepared to subsidize the existing postal facilities, these will be cut off or reduced, because the revenue from them is not sufficient to carry them on. Thus country residents are asked to pay out of their own pockets for conveniences that are part of the ordinary requirements of civilization. There is no sense in thus penalizing those who earn their living in the back-blocks. Such action discourages them from remaining there, and others from going there. As I have pointed out in other speeches, the Department took upon itself to reduce postal services at a time when, above all others, the people were interested in obtaining news speedily, that is, during the war, when most radical alterations were made.

While on my feet, I wish to draw attention to the fact that information respecting weather conditions is not posted on the postal premises at Broken Hill. That city is the centre of a fairly big pastoral district, West Darling, which contains quite a large number of graziers and others engaged in pastoral pursuits. These persons are unable to obtain at the Broken Hill post-office information regarding weather variations, which have a profound effect on their industry, because they govern operations like the shifting of stock. In a letter, a copy of which has been sent to the Department, a correspondent says—

For many years past when rain does fall in this dry area, the fact has been made known to the pastoralists, the stock agents, and the public at the local telegraph office. The registrations at the telegraph and telephone stations have been freely issued. These records have been of important value and equal interest to all concerned in the pastoral industry in the far west. They have facilitated business, and have helped to assist pastoralists to move stock from place to place to meet the changes of weather. These movements were, and are, not of individual importance only, but concern the whole of the West Darling pastoral industry, a vital factor in not only the State's, but Australia's economic welfare.

Wilcannia and Menindie are enabled to gather and issue these so important rain figures; why not Broken Hill, the centre of the district?

The writer points out that the posting of the information to which he refers would not cost much labour, and would greatly benefit those interested in pastoral pursuits. In Sydney and in Melbourne, shipping and other intelligence is posted at the General Post Office. Wharf labourers and others interested in shipping can thus study the movements of vessels. Why should not a similar convenience be given to the pastoralists of West Darling, by providing them with information respecting rainfall and weather changes? It would not cause much expense to do this.

Sir JOSEPH COOK.—That information is posted in many places, the service now costing over £50,000 a year.

Mr. CONSIDINE.—It is posted in Wilcannia and Menindie.

Sir JOSEPH COOK.—Have they given a reason why it is not posted at Broken Hill?

Mr. CONSIDINE.—No; my correspondent asks that the practice may be resumed. I gather that the information was posted, and that the practice of posting it has been discontinued.

Sir JOSEPH COOK.—It should be posted at a place like Broken Hill.

Mr. CONSIDINE.—The Treasurer and the Postmaster-General will readily understand that Broken Hill is a large centre where it is most important that this information should be made public.

I do not know whether other constituencies have suffered as much as mine from the cutting down of mail services and the withholding of telephone facilities. The Postmaster-General is in the best position to know what is taking place, but if other constituencies have suffered as much as the Barrier, the country people of Australia are getting a very rough deal from the Commonwealth Government. It is about time that we ceased to treat the Postal Department as a business concern. I have always claimed that postal and telegraphic facilities are the right of our citizens, and that the granting of them should not be on a revenue-producing basis.

Sir JOSEPH COOK.—That is not to say that the Department should not be conducted as a business department, for all that.

Mr. CONSIDINE.—I do not say that it should not be conducted with business method; but there are businesses and businesses. The Treasurer knows that sometimes businesses are conducted not with a view to making a profit, but to support other businesses which are producing revenue. If you study the good of the community, and desire to keep people in the back country by making life worth living there, the least you will do is to grant the minimum facilities of communication required by a civilized community. In the city, postal, telegraph, and telephone conveniences are always at hand. If revenue must be considered, let the burden of providing it be placed on the shoulders of the townspeople, who are not under the same disabilities as country residents. It is not fair that the people in the country should be penalized as they are being penalized. It should be laid down as a guiding principle for all Postmasters-General that services should not be cut out, or reduced, as they have been in the past, in order to bring the expenditure of the Department within its income; the comfort and well-being of the people, especially of those in the country, should be the first consideration of every Administration.

Mr. WISE (Gippsland—Postmaster-General) [6.2].—When a member intends to attack the administration of a Department, he might take the trouble, and have the courtesy, to inform the Minister of his intention, so that the latter may be furnished with figures and information to reply to his statements. For several weeks I carried in my pocket a number of returns in the anticipation that questions would be asked to which they would furnish a reply. But to-day I was attacked without notice, and had to send to the office for information, fortunately getting hold of the Secretary of the Department just as he was leaving.

Mr. PARKER MOLONEY.—Last Friday the honorable member for Eden-Monaro (Mr. Austin Chapman) said that he would move the adjournment of the House on the following Wednesday.

Mr. WISE.—This is not "the following Wednesday," and the honorable member for Eden-Monaro did not carry out his intentions. I had no notice of the attack which has been made on the Department this afternoon.

I do not consider that the Department of the Postmaster-General is to be regarded as an ordinary commercial undertaking. Not long after I assumed office I was waited upon by a large deputation of members representing country constituencies and of honorable senators, to which I quoted the remarks made by Mr. Deakin, when Prime Minister in 1908, in reply to an attack made on the Post Office. I heard his speech, and it expressed my own views on the subject of Post Office management and the reasons which should govern its administration. Mr. Deakin said in effect that the Post Office was not established to produce a money return for the Government as an ordinary revenue-earning Department; that its object was to promote social and commercial intercourse among the people. From that it naturally followed that country districts would be given services quite disproportionate to the amount of revenue they contributed. I myself have given credit both here and in reply to deputations, to Ministers and Governments that have made concessions to country districts. I have said that it was the first Fisher Government that made the original concession regarding country trunk telephone lines. Previously the people of a district had to guarantee a certain revenue from such a line, and to make up the whole of any deficiency between the required and the actual receipts. That Government at first undertook to pay 25 per cent. of that deficiency, the people in the country to contribute on the 75 per cent. basis. Just prior to the 1910 election, the Government reduced the country people's contribution to 50 per cent., which remained until this year, when, in order to carry out the promise made by the Prime Minister (Mr. Hughes) at the last general election, that every possible facility would be extended to country districts, special concessions were made. There is no excuse for any honorable member saying that he did not know of them, because every honorable member was furnished with a copy of the concessions that have been granted in regard to both mail and telephone services.

Mr. PROWSE.—They are still inadequate.

Mr. WISE.—Unless we are prepared to render every service for nothing, I do not think they can be regarded as inadequate. All we ask now is a contri-

bution of 25 per cent. of the difference between the required revenue and the estimated revenue.

Mr. FENTON.—Does that apply to branch as well as to trunk lines?

Mr. WISE.—To every line constructed by the Department.

Mr. PROWSE.—Is not that a tremendous penalty on the people living in rural parts?

Mr. WISE.—There is only one other thing to do, and that is to make every telephone line for nothing; that is absolutely impossible.

Mr. STEWART.—But that is what the Department does in crowded centres.

Mr. WISE.—No. I tell the House, as I repeatedly tell my own constituents, that the distances throughout Australia are not as small as those in Victoria. Distance does not trouble us much in this State. If we had to deal with only Victorian distances, we would not have much trouble in making the country lines; but we cannot grant fifty or sixty people in a Victorian district telephone communication, and deny it to 200 or 300 people in remote districts of the larger States like Queensland and Western Australia, where the erection of 200 or 300 miles of line may be involved. We can only have one policy for the whole of Australia, and that is to lay down all lines upon the same conditions. These are the concessions that we have made in regard to telephone services—

ERECTION OF PUBLIC TELEGRAPH OR TELEPHONE LINES, UNDER GUARANTEE, UNDER THE NEW POLICY OUTLINED BY THE POSTMASTER-GENERAL.

1. In the case of lines which are estimated to yield within eight years an annual minimum revenue covering an amount sufficient to provide for the cost of operating the line, plus 10 per cent. of the cost of constructing the line, and supplying the instruments, or where the estimated cost of a line does not exceed £100, no guarantee or contribution will be required from those concerned.

2. In the case of lines which are estimated to be unfinancial on erection, but which are estimated to earn the minimum revenue, i.e., an amount which will cover the cost of operating the line, plus 10 per cent. of the cost of construction and supplying the instruments, within a period of seven years, the Department will bear 75 per cent. of the difference between the estimated revenue and the minimum revenue if those concerned pay down an amount equal to 25 per cent. of the deficiency for the first two years and enter into a bond guaranteeing to make good a like proportion of the loss for a further period of five years if necessary.

3. Lines which are not likely to be financial on erection and which are not estimated to earn the minimum revenue within a period of seven years will be erected by the Department on those interested making a contribution, in cash, labour, and/or material to the extent of 25 per cent. of the estimated annual deficiency capitalized at 10 per cent., the Department bearing 75 per cent. of the deficiency.

4. In cases where these lines prove financial after three years' experience, refunds will be made to those interested, who will also get credit for surpluses under certain conditions. Where lines prove financial at the end of the agreement period, the amount contributed, together with interest accruing thereon, is refunded to the persons concerned.

5. Steps are being taken to obtain as quickly as possible the necessary material, and when this has been obtained preference will be given to lines which have already been approved, but which the Department has been unable to erect owing to lack of funds. Some time must be allowed in which to obtain the necessary material.

A copy of that notification was supplied to every member of the deputation, and to every other honorable member who desired it.

In regard to mail services, honorable members will recollect that, at the beginning of this year, we received protests from many districts to which circulars had been sent, stating that the tender for the following three years would be so much, and that unless the people were prepared to contribute a certain amount, the service would be discontinued. That I regarded as a very great hardship, and we overcame it by introducing the following conditions, as from 1st July last—

NEW MAIL SERVICES.

When the frequency of the service is once a week, or less, and the distance does not exceed 75 miles, and five residences or ten adults permanently benefit, the Department will bear all the cost, if the amount is reasonable. If, however, the lowest offer is unreasonable, the Department will call on the residents to provide a service at a reasonable cost, or pay the difference.

Twice a week. When the cost exceeds the revenue, the Department will bear the whole cost, if the difference between the cost and the revenue does not exceed 50 per cent. of the revenue. If the loss exceeds 50 per cent. of the revenue, the Department to bear 75 per cent. of the deficiency, or that proportion of the deficiency which equals 50 per cent. of the revenue, whichever is the greater; the residents to contribute the balance providing such contribution exceeds £10, but if under £10, the Department to bear the whole of the loss.

Three times a week. When the cost exceeds the revenue, the Department will bear the whole of the cost if the deficiency does not exceed 50 per cent. of the revenue. If it exceeds 50 per cent. of the revenue, the Depart-

ment to bear 65 per cent. of the deficiency, or that proportion thereof which equals 50 per cent. of the revenue, whichever is the greater; the residents to contribute the balance with a similar provision as in the case of the twice-a-week frequency.

More than three times a week. Same conditions as for a three times a week frequency, with the exception that the Department will bear 55 per cent instead of 65 per cent. of the deficiency, or that proportion thereof which equals 50 per cent. of the revenue, whichever is the greater.

Cost of receiving-offices not to be debited against the service.

Intermediate receiving-offices not to be established on non-paying services, where the residents to be served can be given reasonable facilities by means of a free bag, delivery into roadside boxes, or by private bag.

EXISTING MAILS.

If a tender reasonable for the service to be performed, taking local conditions into consideration, no contribution to be required. If the tender is unreasonable, a contribution to be asked for.

Those conditions are a great improvement upon those obtaining before 1st July last, and I think it is unfair to say that facilities to the country districts have not been extended by the present Government. Much of the trouble in connexion with telephone services, both trunk lines and private services in the cities, is due to the circumstances arising out of the war. During the last two or three years we have been handicapped, not only by the shortness of money, but also by the cost of material and the difficulty of getting it at all. Even at the present time, for ordinary galvanized wire, when we are able to get it, we pay £65 per ton, as against the pre-war price of £12 per ton. Honorable members will see, from that one item alone, that the cost of installing and extending services has increased enormously, and the expenditure of the Department has grown accordingly. My predecessor in the last financial year had the misfortune to experience one of the worst years since the outbreak of war.

The Government were unable to spare money for the Postal Department as they wished, just as they were unable to find money for expenditure in other Departments. There was, necessarily, a general cutting-down of the Estimates in all directions. This year I have been more fortunate; at the very earliest opportunity the Treasurer gave me authority to call for tenders involving a very large amount of money. If I had been prepared for this debate, I could have told

honorable members the exact amount represented by the tenders which we have already accepted. Of course, it will take some time for the material to be supplied.

Mr. WEST.—Two thousand five hundred people in Sydney are waiting for telephones.

Mr. WISE.—I know that. The honorable member for Illawarra (Mr. Hector Lamond) quoted figures which show that on 1st July over 9,000 people throughout Australia had applied for telephone services and were still waiting to be supplied. Many of them will have to wait a considerable time longer. Those who are seeking connexion with the North Sydney exchange will have to wait, from the time the new switchboard was ordered, about fourteen months before they get any remedy at all. The tender has been placed abroad, and foreign contractors for this class of material will not bind themselves to deliver within any specified time.

Mr. FENTON.—Is there no hope of getting material in Australia?

Mr. WISE.—Not switchboards. Honorable members may have read in the press recently that after a tremendous amount of work, the United States of America is just overtaking telephonic and telegraphic arrears which accumulated during the war. They will understand that until those arrears are overtaken American manufacturers will not be sending any material to other countries. We anticipate getting the switchboard for North Sydney within about ten months, and a further three or four months will be occupied in installing it. All the applications for telephones which have not been met are held up for one of three reasons: Either the switchboards in their districts are full and we have to wait for other switchboards, or they are in localities where the telephone line is carried in cables which are full and we have to wait for a fresh supply of cables, or they are in districts where the telephone lines are carried by wires on poles and we have to wait for a further supply of wires. Orders have been placed for considerable quantities of these various materials, and until they come to hand, we can do nothing at all. So far as the Treasurer is concerned, the only question he has asked, when I have requested more, has been as to whether the amount can be expended within the financial year. He has

pointed out that it is useless to load the Estimates with votes for works if there is no possibility of the requisite material coming to hand within the financial period. That is the only limitation placed upon the Department in regard to the extension of telephonic and telegraphic services. Tenders are being called or have been accepted for all requirements, and we are endeavouring to obtain the material as quickly as possible. Both honorable members and the public will have to possess themselves in patience, because no matter what is said or done, we cannot move more quickly than we are doing at the present time.

Mr. CONSIDINE.—Does the shortage of material apply also to wireless?

Mr. WISE.—In a much smaller degree, but wireless is a very big question.

I shall make only a passing reference to the miserable parochial remarks of the honorable member for Illawarra.

Mr. HECTOR LAMOND.—Because there is no possible reply to them.

Mr. WISE.—Unfortunately the honorable member thinks that everything a man does is coloured by the State in which he resides. The honorable member for Grampians (Mr. Jowett) has already shown that nearly every Postmaster-General has been representative of a New South Wales constituency, and as a Victorian I have no complaint to make against any of them in regard to the equality of treatment all States received from them.

Mr. HECTOR LAMOND.—In view of the figures I have quoted, the Minister would be most ungrateful if he thought otherwise.

Mr. WISE.—That, of course, is an insinuation that these representatives of New South Wales did not play fair with their own State. I maintain, emphatically, that the three Victorian Postmasters-General who have preceded me in the office, including Mr. Mauger, who was in control of the Department for a few months, and whose name was not mentioned by the honorable member for Grampians, did not care whether applications came from the east, west or north, from Tasmania, Western Australia, or any other State. A member of a Government who views matters that come under his notice from the basis of the State from which he hails is utterly unworthy of being in a Government.

Mr. HECTOR LAMOND.—What is the explanation of the 5,000 applications not attended to in New South Wales as compared with the 2,000 in Victoria?

Mr. WISE.—I shall get the figures detailed, but I thought the honorable member was one of those who are always boasting about the greater progress and greater population of New South Wales as compared with Victoria. If one State is more progressive than another, and has a greater population, we would naturally expect it to have a larger number of applications than would be received in a smaller State.

Mr. HECTOR LAMOND.—The implication therefore is that New South Wales is two and a half times more progressive than Victoria. I do not think the Minister means to imply that.

Mr. WISE.—Does the honorable member claim that New South Wales is not two and a half times more progressive than Victoria? No; he will not answer that question.

Ever since I have been in this Parliament, complaints have been made by honorable members about the allowance paid to postmasters and postmistresses who are in charge of receiving and allowance offices. Every Postmaster-General finds that it is a most difficult matter to deal with these people.

Mr. CONSIDINE.—Are not they supposed to live on the allowance they receive?

Mr. WISE.—No. It is utterly impossible to pay a living allowance in all these offices. The idea has always been that they should be attached to shops, and premises occupied by people with other means of earning a livelihood, and who thus may get a fair remuneration for the work they do for the Post and Telegraph Department, which is merely an adjunct to their other work. Unfortunately, however, in many cases these offices have fallen into the hands of women who have no other means of obtaining a livelihood, and it is on their behalf that representations are made by honorable members, who, however, are not prepared to recommend that for these small post-offices an adequate living allowance should be paid. There is hardly one of these officers who is not being paid more than the amount of revenue derived from the office.

Mr. HECTOR LAMOND.—Should there not be some increase in the allowance because of the increased cost of living?

Mr. WISE.—As announced about a fortnight ago, the Government have agreed to increase the allowance paid to these offices by £67,000, based upon the principle of making some recompense for light and accommodation. It is certainly a small increase, but in many cases it will be a welcome one.

Mr. PARKER MOLONEY.—What percentage will that increase represent?

Mr. WISE.—I cannot say from memory; but it is based on a certain amount per week, according to the size of the office.

Mr. CONSIDINE.—Is the Postmaster-General of opinion that fifty or sixty residents in a certain district should be deprived of postal facilities if there is not sufficient revenue from the allowance office?

Mr. WISE.—No.

Mr. CONSIDINE.—Then some one must be paid to do the work in that office.

Mr. WISE.—But payment for work done is quite different from the payment of a living allowance.

The drought allowance for mail contracts is another matter of considerable difficulty. We must remember that contracts are entered into as the result of tenders. As the Treasurer (Sir Joseph Cook) interjected, one man puts in a tender at a price which he thinks will cover all possible contingencies, whereas another man puts in a much lower price, making no allowance whatever for the risk of contingencies, believing that he can rely on the Government to make up to him any loss that he can show. One has to be careful in giving assistance in such circumstances, because it is a matter that strikes at the very root of the system of tendering. If a man knows that he can get his loss made up to him by the Government, he submits a tender at a lower price, and secures a contract over a man submitting a price to cover contingencies. Consequent upon the severe drought which prevailed in New South Wales and Queensland last year, the sum of £25,000 was made available by Cabinet for the purpose of assisting mail contractors in those States. The maximum increase of subsidy in any case was not to exceed 25 per cent., and the period for which the increases operated was from the 1st January, 1919, to the 31st December, 1919. The actual

amount paid to those mail contractors was approximately £18,000. However, since these payments were made, drought conditions have, to a large extent, continued in New South Wales and Queensland, and, in the circumstances, it has been decided to afford further assistance to mail contractors in the drought-stricken areas whose contracts were entered into prior to the 1st July, 1919, and where it is shown that such assistance is warranted. The assistance will cover the period from the 1st January, 1920, to the 30th September, 1920, and it is estimated that the amount required will be about £14,450. The honorable member for Hume (Mr. Parker Moloney) asked why the allowances should not be granted to those contractors whose contracts commenced on the 1st January of the present year, and the answer given was that the man who took up a contract on the 1st January of this year had a pretty fair idea—he was in the middle of the drought then—that he must look forward to drought conditions prevailing, and was not entitled to the same consideration which was extended to a man who had entered into a contract commencing in the middle of last year.

Mr. STEWART.—And who was unexpectedly met by a drought.

Mr. WISE.—Yes. That was the reason why the allowance was limited. However, it is for the Treasurer to consider whether there are specially hard cases in which an exception might be made. The man who entered into a contract at the beginning of this year is not on the same footing, so far as the merits of his case are concerned, as is the man who entered into a contract at the middle of last year, and might easily have anticipated the breaking up of the drought in the following spring. In any case, the man who entered into a contract which was to commence at the beginning of this year had the opportunity of asking the Department to relieve him of it, and if he had been held to it by the Department, it would then have been fair for him to claim consideration on the ground that he was forced to continue his contract. But not one application as far as I know was received from any man asking to be relieved of his contract.

Sitting suspended from 6.30 to 8 p.m.

Mr. WISE.—The honorable member for Hume in his amendment urges that further facilities should be granted, but he has not given us any idea of what in his opinion those further facilities should consist.

Mr. PARKER MOLONEY.—One cannot set out everything in a simple amendment.

Mr. WISE.—Quite so; but "further facilities" might mean anything. I have pointed out that the last concession to country districts in regard to the guarantee required in connexion with the construction of telephone lines was made ten years ago, and that we have made a further concession of 50 per cent. in the then existing conditions. I represent a country constituency which, with the exception of part of the electorate of Indi, has fewer railway facilities, and is, perhaps, more inaccessible than any other division in Victoria, and my constituents appreciate very much indeed the concessions that have been made. So far as I can remember, all the applications for telephone services which were held up because of the large contributions which the people concerned were informed they would have to make are now being taken up under the recent concessions. In every case the new conditions laid down by us have been readily accepted, and the people concerned have undertaken to supply the cash, labour, or material required of them by the Department. As the result of these new concessions I do not think that in any one case the contributions which the people were originally told they would have to make have been required.

As I said at the outset of my remarks, I do not take the view that the Postal Department should be a revenue producing service. At the same time, since it has been made to pay its way I should like it, if possible, to continue to do so. But I am not out for any surplus. I would prefer to extend any anticipated surplus in the provision of further facilities for country districts. One honorable member said during the debate that the conditions laid down in respect of the construction of country telephone lines were not insisted upon in the case of telephone trunk lines, or town or city services. I can only say in reply that the same conditions apply all round. If a

projected country line will pay from the start it is erected free of cost to the persons to be served. It rarely happens, however, that a country line will pay its way from its inception. In my own electorate only two lines—one 4 miles long and another 6 miles in length—have been erected without any contribution or guarantee being required from the persons to be served.

Mr. MCWILLIAMS.—But the requirement as to a contribution or guarantee works great hardship in some cases.

Mr. WISE.—No doubt it does. I should like to see the whole country riddled, so to speak, with telephone lines. I do not agree with the statement once made in a rural district by the honorable member for Melbourne Ports (Mr. Mathews), that telephones are a luxury. When he made that statement no doubt he had in mind telephone services in our large cities; but in country districts they are not luxuries, but absolute necessities. One of the difficulties in the way of our complying with applications for new lines at the present time is the heavy cost of material. With wire, for instance, costing us £65 per ton, as against £12 per ton prior to the war, and the cost of other material having gone up proportionately, it will be readily recognised that we have not the opportunities for extending the service that were offering before the war. Then there is the further trouble that great delay is experienced in obtaining supplies of material. The Department, however, is doing its very best to meet the applications for telephone services now in hand. It is the policy of the Government to assist the country districts in so far as these matters are concerned in every possible way, and honorable members will discover later that that policy applies also in other directions. The Treasurer (Sir Joseph Cook) has placed no difficulty in the way of the Department so far as money is concerned. When he is asked to supply funds to enlarge the activities of my Department, his only inquiry is, "Can you spend the amount for which you ask within the financial year? If you can, you can have the money." Honorable members know perfectly well that, although provision is made for a large expenditure on the purchase of material, that expenditure is often unlikely to take place in the year for which it is provided, because of the diffi-

culty in securing prompt delivery of material. Some of the material which was ordered as a result of the grant made to the Postal Department in February of last year is only now coming to hand. In the beginning of the present year the Treasurer gave me authority to call for tenders for the supply of material to the value of £500,000, but the great bulk of that material will not come to hand until the beginning of next year. I repeat that we are doing all that we can to meet the requirements of country districts, and that there is no hesitation on the part of the Treasurer in supplying the necessary funds. The real difficulty lies in the fact that we have to wait some time for material to come to hand. In that respect, we are not singular. Like the rest of the world, we are trying to overtake the arrears which accumulated during the war.

Mr. RILEY.—Is the Department doing anything in regard to the demand for city telephone services?

Mr. WISE.—Yes. I have already referred to the difficulty we experience in obtaining supplies. One trouble in connexion with the Sydney telephone service, for instance, is the delay in obtaining the large switchboard required for the City North exchange. The contractor whose tender was accepted for the supply of that switchboard would not bind himself to deliver it within any specified time. We expect it to arrive, however, within the next ten or twelve months, and an additional three or four months will be spent in putting it in position. We are doing everything within our power to overtake arrears, and to bring all our work up to date.

Mr. LAZZARINI (Werriwa) [8.9].—The Postmaster-General (Mr. Wise) has said that the reason for the delay in proceeding with the erection of country telephone lines is the shortage of material. If there is an absolute shortage of material, we cannot expect these lines to be built; but not one of the many applications for telephone lines in my electorate has been turned down by the Deputy Postmaster-General of New South Wales on the score of lack of material. Such applications have met with the objections that the lines would be too costly; that they would involve too great a loss; or that if they are to be built a proportion of the cost of construction must be borne

by the people applying for them. At the beginning of this session the Postmaster-General promised a liberal policy of telephone extensions, and I am disappointed at the failure of the Department to carry out that policy. Many of my constituents are 20 or 30 miles away from the nearest railway station, and, owing to the lack of telephone services, are practically cut off from civilization. Sickness, as we know, enters every home, and when any of these people need the services of a doctor, a ride or drive of 30 or 40 miles has to be undertaken to obtain one. I cannot square my experience with the statement of the Postmaster-General that shortage of material is the main reason why telephone lines are not being constructed, as requested, in country districts.

I wish now to refer briefly to the question of mail contractors and the drought allowance. I indorse everything that has been said by honorable members of my party in regard to that matter. It is about time that the Postal Department realized the serious disability under which mail contractors are suffering. If they do not receive reasonable treatment, and are unable to make their contracts pay, many of those who now have a mail delivered to them once, twice, or three times a week will soon be deprived of such a service. It is an absolute negation of the policy of the public Departments of the Commonwealth to say that these men are not entitled to an increased allowance. We have tribunals which fix the price of various commodities, and Courts which make awards as to wages. As the economic position becomes more aggravated, prices are increased and new awards are made. Following up that policy, mail contractors, having regard to the adverse conditions with which they are confronted, should be granted an increase. It seems to me that the Postal Department is a sweating institution. I have had brought under my notice to-day the case of a postmaster in a small country town, who is a returned soldier, with a wife and family, and receives the princely salary of £130 per year. The whole service needs to be looked into. The Government is not doing the fair thing in any branch of the Postal Department. I strongly support the amendment, and hope that it will be carried.

Mr. Lazzarini.

Mr. RICHARD FOSTER (Wakefield) [8.14].—I wish to thank the Postmaster-General (Mr. Wise) for the splendid statement he has made to the House. Honorable members opposite may not agree with me, but I know what I am talking about, since I represent some of the "way-back" stations of South Australia, and know as much about the necessities of the far interior of my State as does any honorable member of this Parliament.

Mr. PARKER MOLONEY.—Has the honorable member been obtaining any postal or telephone facilities for his electorate?

Mr. RICHARD FOSTER.—I have been obtaining all that I could expect, having regard to the present financial position. The statement made by the Postmaster-General to-day will be accepted by my constituents away back as the best they have read for many a long day. We cannot possibly have these facilities, particularly in the cases that are dependent upon materials which are un procurable, all at once, but we are assured that a very definite step forward has been taken, and that, if not within a few weeks, at any rate within a very few months, a great many of the works that have been promised for a long time will be put in hand. We in South Australia are greatly indebted to the Deputy Postmaster-General there. His work is highly appreciated by the people, particularly in the country, and I am satisfied that when my constituents read the Postmaster-General's statement of to-day they will be very delighted over it.

Sir JOSEPH COOK (Parramatta-Treasurer) [8.16].—**Mr. Deputy Speaker**.

Mr. MATHEWS.—I should like to ask the honorable member one question.

Mr. DEPUTY SPEAKER.—Order! The time for asking questions has passed.

Mr. MATHEWS.—Does the Treasurer agree with the Postmaster-General that telephones are a luxury?

Sir JOSEPH COOK.—All I know is that I find the telephone a necessity, not a luxury; but I dare say it is a luxury in some circumstances. This is a subject which appears to excite a great deal of interest, and I want to make it clear that, no matter how the vote on this question goes, it cannot make any difference in the actual position of affairs.

Mr. PARKER MOLONEY.—How will it affect you if it goes against you?

Sir JOSEPH COOK.—We shall resign promptly, and let the honorable member come in, as he would like to do. That goes without saying.

Mr. PARKER MOLONEY.—Are you satisfied with the result of the whip that has taken place?

Sir JOSEPH COOK.—I am quite satisfied, but I do not know what the whip is.

Mr. PARKER MOLONEY.—You have been putting it on.

Sir JOSEPH COOK.—I am not anxious to put anything on. All I am anxious to do is to face the situation and get at the facts, and then the House can adopt what attitude it pleases.

Mr. FENTON.—Now the honorable member is threatening the House.

Sir JOSEPH COOK.—There is no threat at all. Nothing we can do in this House will alter the present state of affairs. Let me remind honorable members what the position is. It is not so much lack of money, but it is lack of material. If there had been four times the amount of money available, it could not have been spent to advantage, as the material was simply unobtainable, and much of it is still unobtainable. It now takes twelve months to get an order for telephones executed; and in some cases much more than twelve months.

Mr. MAHONY.—That shows a lack of foresight on the part of the Department.

Sir JOSEPH COOK.—It shows the great scarcity there is all over the world of many things that we need. Every day a shortage of something or other is occurring. To-day it is telephones; yesterday it was sugar; the day before it was butter. Every day some trouble arises, all owing to the one fundamental fact that supplies cannot be obtained. That is the first fact we want to get into our minds.

Mr. PARKER MOLONEY.—Can you explain how it is that in some country places, where the people have had to provide a part of the material, they have been able to get their part of it, and the Postal Department has not provided its part?

Sir JOSEPH COOK.—I cannot tell the honorable member about these iso-

lated cases. I am speaking of the position generally. If some people are getting services and others are not it is not due to any lack of competency or anything else, but to the clear fact, which we have to face, that we cannot install these services under present conditions. There are 10,000 telephones wanted to-day. They cannot be supplied. I am in trouble every day about telephones, and so is every other honorable member; but what can we do? The telephones are not here. They are on order, but they cannot be obtained. It is not a matter of foresight, or even a matter of money, but a matter of the impossibility of obtaining supplies.

Mr. McWILLIAMS.—Is that the reason why you have reduced some of the country services?

Sir JOSEPH COOK.—I am talking of one thing at a time. At present I am speaking of the need for telephones, and for wire and other material with which to install them. That is one of the main troubles so far as telephones are concerned. Now, as regards mail services.

Mr. LAVELLE.—Why are not the men paid an increased subsidy?

Sir JOSEPH COOK.—A proposal has already been mentioned to-night to rectify that trouble in a very large measure.

Mr. LAVELLE.—It is not satisfactory.

Sir JOSEPH COOK.—I am afraid that we can never satisfy the honorable member. I am trying to address myself now to the reasonable members of the House. The honorable member tells me quite plainly beforehand that I cannot satisfy him. Well, I shall not try to do so. There is no lack of funds so far as the Post Office is concerned. The Postmaster-General was told on almost the first day on which I took control of the Treasury that whatever money he wanted he could have in reason, and he has been proceeding ever since to overtake the arrears; but, do what he will, it is impossible to rectify in a short space of time a situation which has been getting steadily worse for four or five years, mainly owing to war conditions. We are after those arrears with the utmost possible expedition, and the sooner they can be overtaken the better the Government will be pleased, and the better I hope honorable members will be satisfied.

Mr. GABB.—What about the mail services?

Sir JOSEPH COOK.—As to the mail services, the Government is giving its best to the country at the present moment; but even those services cannot be reorganized in a moment. Conditions of drought have prevailed in the country, and there are all sorts of hindrances even to the establishment and organization of the vast mail routes of the Commonwealth; but re-organization is proceeding even there, and we are doing our very best to overtake the arrears. It is our purpose and intention to give better and more frequent services in the back country districts. I have all my life been an advocate of good treatment for the back country districts. These instrumentalities are the very essence of decency, and even livelihood, to say nothing of comfort and luxury, out there, and any man who thinks rightly of his country, and sees things in their proper setting and focus, must admit that everything that can be done for the country should be done.

Mr. MAHONY.—Well, do it now. That is a good slogan for you.

Sir JOSEPH COOK.—I am no Merlin. I am afraid I cannot call these things down in a moment. I cannot "do it now." I can only promise that the Postmaster-General will do it as quickly as it can be done. He will do it irrespective of cost and irrespective of anything but a fair and reasonable consideration for the conditions of the people in the interior. That is the attitude of the Government generally. The rest is a matter of organization, spending money, obtaining materials, organizing those materials, and establishing and re-adjusting the whole of the services as far as that may be done. I assure honorable members that, so far as the Treasury is concerned, there will be no stint of funds, and our efforts will be limited only by the reasonableness of the matters with which we have to deal, and by the service which we can obtain from overseas. That is the fundamental trouble which is keeping everything back now. One honorable member is concerned about the mail contractors.

Mr. PARKER MOLONEY.—And their drought allowance.

Sir JOSEPH COOK.—That position is not free of difficulty. It is of no use to say that there is nothing to be said on the other side, because there is. At the beginning of this year fresh tenders were called, in every case, I believe, for a short period, owing to the abnormal conditions

obtaining. When these contracts were called, drought conditions obtained, and all the difficulties were thoroughly in sight and well understood.

Mr. PARKER MOLONEY.—That is not so.

Sir JOSEPH COOK.—I will come to the difference in fodder prices between then and now. I shall not Burke anything, but the point I wish to put is this: Here are two contractors, at the beginning of the year facing this abnormal condition of things. One puts in a tender for £100, and the other, looking at all the conditions surrounding the situation, puts in a tender for £120. He is ruled out, and the man who puts in the lowest tender gets the contract. What is the position to-day? If we say to the successful tenderer, "We will give you another £30 on your £100," will not the other man who was ruled out because he was sane and wise enough to look at all the conditions, and put in what he thought a reasonable price, have a right to complain when he finds the other man being paid £130, after his tender for £120 has been rejected? The first thing to do in that case, as a matter of equity, would be to give the contractor the right to surrender his contract, and for us to go on the market again.

Mr. FENTON.—Would it not have been "sane and wise" to accept the £120 tender, and not the lowest tender? Does not the advertisement say, "The lowest tender not necessarily accepted?"

Sir JOSEPH COOK.—It would have been, if there had been some arbitrary being in control of the Post Office, and if there had been no critics in Parliament to trouble him. In those circumstances, he might very well have taken that course; but as surely as he accepted a tender which was higher than a rejected tender, there would have been a storm.

Mr. FENTON.—It is done every day in the week by sensible men.

Sir JOSEPH COOK.—It is not done. I have been through this trouble many times. I tell the honorable member that the man whose tender had been turned down would make a bee-line for his parliamentary representative, and the matter would be mentioned on the floor of the House that very afternoon.

Mr. McWILLIAMS.—I think you are correct.

Sir JOSEPH COOK.—I know I am correct. There is only one thing to do, and that is to accept the lowest tender,

other things being equal. It is the only safe course for the Minister, and the only sane and salutary rule for the Department and the House. The position as we find it is that things have not got any cheaper, but have become very much dearer, and I can quite conceive there may be a number of cases of real, genuine hardship which should be looked at.

Mr. FENTON.—They have apparently been looked at, but cast aside by the Department.

Mr. PARKER MOLONEY.—The letters from the Department are most discourteous.

Sir JOSEPH COOK.—All I have to say is that if honorable members will allow this matter to go for the time being, I shall look into it with my friend the Postmaster-General, in the light of the circumstances as we see them to-day.

Mr. LAVELLE.—Will you also consider the mail contractors who are not in drought-stricken districts, but who have to pay drought prices?

Sir JOSEPH COOK.—Precisely; their cases must be looked at, and that may involve a review of the whole mail services. So far as it is possible to review cases of genuine hardship, I can promise that the Postmaster-General will make earnest and *bonâ fide* effort.

Mr. LAVELLE.—In the case I mentioned, the man is now paying £20 for fodder, as against £10 when he tendered.

Mr. MCGRATH.—And his tender was put in at the middle of last year.

Mr. PARKER MOLONEY.—In the case I mentioned, the tender was lodged in August of last year.

Sir JOSEPH COOK.—Has that man asked to be relieved of his contract?

Mr. PARKER MOLONEY.—No, but he asks for an allowance.

Sir JOSEPH COOK.—But what about the man who tendered at a higher amount because of the circumstances?

Mr. MAHONY.—Do you know any tenderer who did that?

Sir JOSEPH COOK.—I am not speaking without knowing.

Mr. MAHONY.—Will you produce the tender?

Sir JOSEPH COOK.—No, I shall not. I believe that most honorable members accept my word, if the honorable member does not. I am speaking of the facts and of the difficulties in dealing

equitably as between the various tenderers, and I still say that peculiar circumstances may have developed which call for review, and the singling out of individual cases for specially generous treatment.

Mr. RYAN.—Do I understand the Treasurer to say that he would be willing to allow contractors to surrender their contracts?

Sir JOSEPH COOK.—I should think that ought to be done in every case where, owing to exceptional circumstances, a man finds himself in difficulties because of the drought.

Mr. PARKER MOLONEY.—That is no good to a man who has already lost money.

Sir JOSEPH COOK.—The fact is that men desire to get contracts by undercutting other tenderers, and afterwards to receive a sum of money equal to the amount at which other men would have been willing to take up the contract. There must be some sort of fairness in these matters; we must be fair to the man who did not get the contract, as well as to the man who did.

Mr. PARKER MOLONEY.—The man who did not might have been making the same demand.

Sir JOSEPH COOK.—He might have been; but, at the same time, he would not have had the same reason to the extent that his tender was higher than the tender of the other man. The Postmaster-General and myself are willing to review cases of hardship, and I can promise a generous review and substantial alleviation where the circumstances justify it.

Mr. PARKER MOLONEY.—The Postmaster-General did not meet us in that way.

Sir JOSEPH COOK.—I am meeting honorable members in that way, and I am doing so after talking the matter over with the Postmaster-General. We are not here to screw the last ounce out of these men, but to treat them fairly and equitably. I suggest that honorable members bring forward their cases, when we shall review them in the light of the present circumstances.

Mr. RYAN.—The request in the motion—for it is only a request—seems to be a reasonable one.

Sir JOSEPH COOK.—I am trying to meet the request without having a vote.

Mr. PARKER MOLONEY.—Why not accept the amendment?

Sir JOSEPH COOK.—The honorable member for West Sydney (Mr. Ryan) folds his arms and smiles.

Mr. RYAN.—Why not have a vote?

Sir JOSEPH COOK.—I have already said that it will not make any difference whether there be a vote or not—if a vote goes against the Government on this particular matter it can make no difference. The facts are there, and I appeal to honorable members not to press this proposal to a division. They can always come again to the Government if they wish to.

Mr. PARKER MOLONEY.—Why not accept the amendment?

Sir JOSEPH COOK.—Why should we accept the amendment after the statement I am making now.

Mr. PARKER MOLONEY.—The Postmaster-General does not make the statement.

Sir JOSEPH COOK.—It is becoming quite clear that what the honorable member is after is more than some action in regard to these men—it is becoming quite clear to the House that he is trading on them for political purposes.

Mr. PARKER MOLONEY.—Now you are attributing motives; but you will not get me to withdraw the amendment on such grounds.

Sir JOSEPH COOK.—I do not care whether the honorable member withdraws the amendment or not; is that quite clear? I try to meet the difficulty, and I receive nothing but jeers.

Mr. PARKER MOLONEY.—And then you insult me!

Sir JOSEPH COOK.—There is no "insult"; but the honorable member can put it that way if he likes. I should like to tell honorable members that I spoke privately to the honorable member, and asked him, in view of the statement I proposed to make, and am making now, not to press this matter, but to leave it over in the interests of the men he represents, promising fair and generous consideration for their cases.

Mr. PARKER MOLONEY.—You said you would meet me, but you have not done so.

Sir JOSEPH COOK.—I have.

Mr. PARKER MOLONEY.—The Postmaster-General has not.

Sir JOSEPH COOK.—I tell the honorable member that every case that he submits to the Department will be reviewed and reconsidered.

Mr. PARKER MOLONEY.—We have had the same promise for years past.

Mr. LAVELLE.—You have been considering the matter too long.

Sir JOSEPH COOK.—Very well, then, I shall say no more.

Mr. RILEY (South Sydney) [8.39].—I regret the remark of the Treasurer (Sir Joseph Cook), to the effect that it will not matter what the result of a vote on this question may be—that it will not alter the state of affairs. I represent a city constituency, and I can tell honorable members that Sydney has been deprived of its usual facilities, pillar boxes and letter boxes having been removed from one end of the city to the other. That is a scandalous state of things, and I ask the Government whether it is to be allowed to continue, or whether the letter boxes are to be replaced. The Treasurer tells us that the Government cannot obtain telephone instruments. That seems most remarkable in a country like this, which is able to turn out turbines and the best and finest classes of machinery at the Shaw Wireless Works at Randwick. Suppose we were cut off from any other country, is it to be supposed that there are not enough brains and talent here to make telephone instruments?

Mr. LAIRD SMITH.—There are patent rights to be considered.

Mr. RILEY.—That is the reply I received from the Deputy Postmaster-General in Sydney; but patent rights should not have stood in the way when the war was on; indeed, we can ignore those patent rights now if we cannot get supplies, and manufacture our own instruments.

Sir JOSEPH COOK.—Are you advancing the theory that the Government should ignore patent rights?

Mr. RILEY.—I am laying down the theory that the Government should supply facilities for the carrying on of the business of the country.

Sir JOSEPH COOK.—You are suggesting that a Government which makes laws to protect patent rights should ignore them.

Mr. RILEY.—I ask the Treasurer to reason the matter out for a moment. The Government tell us that they have placed orders for instruments in America and elsewhere, and that those orders cannot be supplied. If that be so, are we to do without the instruments just because there are patent rights? Having given an order for instruments, we can say

that if they cannot be supplied we shall feel ourselves justified in ignoring patent rights, and making them for ourselves.

Sir JOSEPH COOK.—The Government will buy all the telephone instruments in Australia that the honorable member can bring.

Mr. RILEY.—I know, but that is not the point I am on. We have works at Randwick which can make all the instruments we require; indeed, those works are now providing some equipment for the Post Office.

Mr. McWILLIAMS.—We can pay royalty on patents.

Mr. RILEY.—Quite so. Nearly every mail I get brings me letters of complaint about the lack of telephones. I know a butcher in Sydney who paid a deposit ten months ago for a telephone installation, but has been obliged to go out of business because he has not been supplied, his rivals with telephones getting the orders.

Mr. LAIRD SMITH.—How many telephone instrument fitters does the honorable member think we can get in Australia to-day, outside the Department?

Mr. RILEY.—I have not the time to find out. The honorable member is a practical man, and I ask him whether he suggests that, in the absence of any supplies from outside, we should not take steps to manufacture instruments for our own requirements. The Treasurer says he has the money to pay for instruments, and we know that we have the timber and metals and the necessary mechanics here. It shows a lack of organization on the part of the Government that steps are not taken in this direction. I do not blame the Postmaster-General so much, but he should instruct his mechanical engineers to see to the manufacture of instruments. It is a very simple matter to take a screw-driver and look at a telephone instrument; but then we are told about patent rights. We must let patent rights go, if it be necessary, and see that the people of this country are supplied with business facilities. No Government is worth its salt unless it sees that local requirements are met.

Mr. McWILLIAMS.—How long do you think America would recognise patent rights here?

Mr. RILEY.—Mr. Hoskins, of Lithgow, who has invented an improvement in connexion with motor cars, recently visited America in order to patent it. There he was asked where he intended to

undertake the work of manufacture, and when he replied "In Australia" he was told that if he was going to patent his invention in America he must also undertake the work of manufacture there. The same principle should be applied to patentees in this country.

I should like to know how the Treasurer (Sir Joseph Cook) can justify the removal of letter boxes from thickly populated areas around Sydney—letter boxes which have been in position for the past twenty years? No excuse can be urged for such arbitrary action. A motor car passes the sites upon which these boxes were located, and could easily pick up correspondence placed in them. Is it the policy of the Government to cut down postal facilities? This debate has not been initiated one day too soon. I hope that the Government will see that the letter boxes of which I speak are speedily restored to their original positions.

Mr. CUNNINGHAM (Gwydir) [8.47].—I have very much pleasure in supporting the amendment of the honorable member for Hume (Mr. Parker Moloney). We were all pleased to hear from the Treasurer that he is not withholding financial assistance from the Postmaster-General. I trust that the latter will avail himself of that assistance to the full, in order that he may provide the residents of country districts with adequate mail facilities, if only for the purpose of compensating them for the lack of telephonic communication which obtains there. The position has become very acute—so acute, indeed, that a previous Postmaster-General lost his seat in this Chamber in consequence of it. I am very much afraid that his successor will lose his seat unless a vast improvement is effected in this great arm of the Commonwealth service which so vitally affects our country interests. The position is worse than a scandal. Mail facilities which existed thirty years ago have either disappeared entirely or have been curtailed to such an extent that to-day they are not recognisable. The buildings of the Department are entirely inadequate. I want to draw attention to one of these at Narrabri, in my own electorate, which was erected with a view to accommodating eight employees, but which to-day houses no fewer than twenty-eight officers. This building is located in a hot climate, so that honorable members may readily imagine the

conditions under which these employees work.

One great facility which country people formerly enjoyed was that of travelling post-offices. These were withdrawn by a previous Administration, and thus the delivery of mails has been rendered slower than it otherwise would be. Repeated applications to the Postmaster-General only elicit the reply that he cannot see his way to restore these facilities. In view of the enormous shortage of telephones which exists at present, the best thing that the Government can do is to increase our country mail service, in order that rural residents may be able to deal with correspondence more expeditiously, and thus secure quicker communication with our towns and cities. The argument adduced by the Treasurer in regard to mail contracts is scarcely a sound one. He stated that one contractor may have contracted to provide a service for £100 a year, whilst another contractor has tendered for it at £120, and that if the successful tenderer were now granted a fodder allowance, his unsuccessful competitor would have cause for complaint. May I say that those contractors whose tenders were not accepted during the recent drought period have reason to thank their stars for it. The attitude which has been taken up by Ministers to-night, when the numbers are against them, is in vivid contrast with that of the Postmaster-General, who, yesterday, stated that he entirely concurred in the view of this matter which had been expressed by the Deputy Postmaster-General.

I do not think the contention that we cannot manufacture telephones in Australia is a correct one. There are hundreds of returned soldiers undergoing vocational training here, and there is nothing very intricate in the manufacture of a telephone.

Mr. LAIRD SMITH.—How does the honorable member know that? He should read the evidence which was given in the Arbitration Court upon that matter. His statement is a libel upon telephone employees.

Mr. CUNNINGHAM.—The Minister for the Navy can bring forward evidence of a certain character, and twist it to suit himself, but the fact remains that no effort has been made to manufacture telephones in Australia.

If we never attempt anything, we shall never achieve anything. So long as Ministers are permitted to retain their positions, and to do nothing, so long will residents in the country be deprived of necessary telephonic facilities. Members of the Government are prepared to go to any length in order to build up surpluses in the Postal Department, and we know that the late Postmaster-General claimed that he had made a profit of £500,000. He affirmed that this amount had been paid into the Consolidated Revenue, and kept from him, and that, as a result, he was prevented from effecting improvements in the service owing to lack of funds. He blamed the Cabinet for having placed him in a false position. He did not admit that he had allowed himself to be placed in that position. But when he knew that country residents were not getting a square deal, he should have resigned his position. That would have brought matters to a head. The position that we are in to-day is the result of funds having been withheld when they were urgently required for the development of this particular arm of the Commonwealth Service.

I may perhaps be permitted to mention one or two instances of the way in which country residents are suffering. In the electorate of New England, there is a town which thirty-five years ago had a daily mail service from Tamworth, but which to-day has a service upon only three days a week. Take the town of Bingara, in my own electorate. In the municipality there are 1,400 inhabitants, and of this number about 700 live in the town itself. For many years there was a letter-carrier in the township, but owing to the enforcement of a policy of economy, he has been withdrawn. Another case which may be mentioned is that of Longueville, in the Treasurer's electorate of Parramatta. Thirty years ago there were two mail deliveries there daily, but to-day there is only one delivery. Repeated requests for an additional delivery have met with a blank refusal. Notwithstanding that these districts have grown considerably during the period I have indicated, the people were better off thirty years ago than they are now. Great loss is being sustained, particularly by business men, the majority of whom

absolutely depend upon the mail and telephone services for the transaction of their business—as the result of the curtailment of these mail facilities. To-night the Postmaster-General made a statement, but there was nothing very definite in it. When he approaches the Cabinet upon these matters, we have no assurance that his proposals will not be turned down. The Treasurer has told us that he will not refuse his colleague financial assistance; but, even if he does not, the point is whether the Cabinet will do so. I understand that the amount provided on the Estimates for the purchase of telephones is likely to undergo serious revision. Only a few days ago, I asked that tenders should be called in Great Britain and America for the requisite supplies of material. Upon that occasion, I was asked to give notice of my question. To-night I understood the Postmaster-General to say that tenders had been called in those countries.

Mr. WISE.—Tenders have been called for the supply of some materials, and contracts have been accepted for the supply of others.

Mr. CUNNINGHAM.—I am very pleased to hear that. I am under the impression that proper efforts have not been made to scour the world in an attempt to procure the materials that are necessary to keep the services up to a good standard.

Mr. FENTON.—A sufficient endeavour is not made to get them in Australia.

Mr. CUNNINGHAM.—The honorable member for Maribyrnong represents a manufacturing district, and I have no doubt that he will be able to point to many instances in which the requisite materials can be obtained in Australia, though no attempt has been made to get them.

The Postmaster-General was not present when I was referring to the question of travelling post-offices. In view of the fact that the Treasurer has stated that ample funds are available, I would like to know whether he will restore to country residents the facilities which they formerly enjoyed in the shape of travelling post-offices upon mail trains? There was a travelling post-office on the north-west mail from Sydney to Moree which proved a wonderful convenience to the population all along the line. That service was abolished by the last Postmaster-

General, and thereby the back country districts were made to suffer great inconvenience. Droughts or shortage of material cannot be urged as excuses for the cutting off of this service. That action was taken in pursuance of a policy which must be recognised as false economy. I should like the present Postmaster-General to say that he will re-establish the travelling post-offices.

Mr. WISE.—Steps are being taken to arrange for the conveyance of correspondence between railway stations, and if the means provided are not satisfactory, something else will be done. I am determined that this convenience shall be restored.

Mr. CUNNINGHAM.—Do you mean that the travelling post-offices will be restored?

Mr. WISE.—Yes, if they become necessary; but if the other means are successful, they will not be necessary.

Mr. CUNNINGHAM.—I do not know what other means are contemplated, but I am prepared to await the honorable gentleman's scheme, to see if it will redress our grievance. If it does not, I hope that he will give, immediately, consideration to the reasonable request of the people of the north-western districts of New South Wales, that the travelling post-offices may be restored in order to improve their mail service.

I could deal at length with the treatment of the employees of the Postmaster-General's Department, but the motion to-night complains of the lack of postal facilities, and the conditions of the postal employees is a proper subject for a separate discussion, which, on another occasion, might well engage honorable members to the exclusion of all other subjects. The conditions of the employees of this Department are deplorable, and until they have been improved, and the employees are satisfied, efficient service is not to be looked for. The employees are underpaid and overworked. I have already spoken of the application of the third degree at the General Post Office, Sydney, in connexion with the employment of telephone attendants. It has come to such a pass that on one occasion a girl was questioned and cross-questioned for over an hour, until she fell hysterical to the ground, and six other girls had to be carried out of the room, work on the

switchboard being suspended for some time. This may appear amusing to some honorable members, but it is a serious thing for the young women themselves.

I hope that not only the Postmaster-General, but the whole Cabinet, will recognise that the services given by his Department are of vital importance to the residents in country districts, more so than any of the other public services of the Commonwealth, and that they will, therefore, give the Postal Department more consideration than it has yet had from the Ministry.

Mr. AUSTIN CHAPMAN (Eden-Monaro) [9.5].—We are having a field day in the discussion of grievances, grievance day being, I think, a peculiarly Victorian institution. The Government cannot complain of any backwardness on the part of honorable members in speaking their minds. There is a number of grievances which I wish to have redressed, and I propose to speak frankly regarding them. I do not blame the Postmaster-General (Mr. Wise) personally, because, having had experience in the office that he holds, I know that he does not lie on a bed of roses. He has special difficulties to face, because the war has made it very hard to obtain supplies; but there is a good deal in the complaints which have come from all sides of the House. I resent the statement of two or three prominent members of the Labour party about a deputation from that side of the House. They forgot to say that that deputation followed a general deputation. I had no invitation from them to attend on their deputation. We all advocate the rights and exclaim against the wrongs of the people in the country, for the reason that we are all interested in them; partly because of their votes. If we had not their support, it would make a big difference to us. But we shall not succeed in helping them if we take action in a party spirit. A party proposition cannot be supported by honorable members who do not wish to displace the Government.

Mr. PARKER MOLONEY.—Why make this a party question?

Mr. AUSTIN CHAPMAN.—Then why did you refer to a deputation from that side of the House?

Mr. PARKER MOLONEY.—What has that to do with the merits of the amendment?

Sir JOSEPH COOK.—It has everything to do with it.

Mr. AUSTIN CHAPMAN.—The troubles in connexion with the Post Office are not entirely due to lack of coin or material. Most of the complaints that come from Sydney and its suburbs are due to the fact that the switch-boards will not carry extra lines.

Mr. WEST.—Nothing is done to alter that.

Mr. AUSTIN CHAPMAN.—The honorable member, of course, could alter it!

Mr. WEST.—I would alter it very quickly.

Mr. AUSTIN CHAPMAN.—I thought it was the Treasurership that the honorable member had arranged to take.

I have read in a Melbourne newspaper which seems to control politics here, and to know more about political matters than Ministers themselves, that another telephone is to be erected between Sydney and Melbourne, at a cost of between £47,000 and £53,000.

Mr. BRENNAN.—Is that to serve Canberra?

Mr. AUSTIN CHAPMAN.—Some honorable members have Canberra on the brain. They must abuse it lest the *Argus* and the *Age* should straighten them out.

Mr. JACKSON.—In the interests of economy.

Mr. AUSTIN CHAPMAN.—Now I have a Tasmanian against me. I understand, however, that some persons are proposing to buy Tasmania, and that will relieve us of that trouble. The Tasmanian member who talks about economy forgets the special grant that that State got from the Commonwealth by begging and praying.

I am in accord with what has been said to-night regarding the need for a drought allowance for the mail contractors, and I am glad that the Treasurer (Sir Joseph Cook) has promised that it shall be given.

Mr. PARKER MOLONEY.—The Treasurer has given no assurance that he will pay a drought allowance to the mail contractors.

Mr. AUSTIN CHAPMAN.—The right honorable gentleman has promised consideration to every hard case.

Sir JOSEPH COOK.—What I said was clear enough, and was heard by the honorable member for Hume.

Mr. AUSTIN CHAPMAN.—I have great sympathy with the telephone attendants. The telephone room is a very trying place, and attention to the switchboard severely taxes the patience of the attendants. I looked into this matter last week, because I am interested in these young ladies. The Deputy Postmaster-General informs me that they are having trouble because so many of the attendants are getting married, and have to be replaced by inexperienced girls.

I have suggested to the Postmaster-General (Mr. Wise), and do so again, that he should try to ascertain the causes of the trouble that arises in his Department. It is those in control who are to blame. Why not send the Victorian Deputy Postmaster-General and a dozen of his principal officers to Sydney, and bring the New South Wales Deputy Postmaster-General and his staff to Melbourne, and see what the effect of the change is?

Like other honorable members, I get notices from the Department telling me that, owing to the falling off of revenue, the payments to allowance offices must be reduced. Recently I was informed that the payment to one of these small offices had been reduced by £2. I do not hold the Postmaster-General personally responsible for these reductions, but he is the man to whom we must make our complaints about them. I desire to indorse the suggestion made by some honorable members as to basing the allowance on the revenue received instead of one the work done.

Mr. WISE.—That is how they are paid—on the work done.

Mr. AUSTIN CHAPMAN.—If the Postmaster-General makes that statement seriously, I beg to differ, because they are paid on the revenue received at the office. Will the Postmaster-General say that if he discovers, on inquiry, that they are not paid on the work done, they will in future be remunerated on that basis. In many of the offices where the revenue is comparatively small, a great deal of work has to be done, and sometimes at great inconvenience. In some country centres the persons employed,

who are sometimes women, have to get up in the middle of the night to hand out a bag; and such work should not be paid for on the basis of the revenue received. I invite the Postmaster-General to fully inquire into this question. Personally, I am in favour of a Commission being appointed to administer the Postal Department, because I think the work should be taken out of politics altogether, as some, at least, are inclined to make use of the Department for political purposes. The Department should be conducted on business lines, and should be under the control of a Commission.

Mr. WEST.—Under such circumstances the country people would be the first to suffer.

Mr. AUSTIN CHAPMAN.—I do not think so. I am merely expressing my opinion, and do not pretend to speak for the honorable member for East Sydney (Mr. West).

I am pleased that this resolution has been moved, and I am glad that the Treasurer has made such a generous promise.

Mr. PARKER MOLONEY.—The Treasurer has not made any promise.

Mr. AUSTIN CHAPMAN.—I understand he has promised to find the money if he considers that it is required.

Mr. PARKER MOLONEY.—Why did not the Postmaster-General, who is the responsible Minister, make the promise?

Sir JOSEPH COOK.—Honorable members opposite do not want these troubles rectified.

Mr. AUSTIN CHAPMAN.—That is not a generous thing to say. I think the Postmaster-General will admit that it is time that those in charge of country offices were paid for the work done. The other day a young person was placed in charge of the all-night telephone exchange at Yass, and when an attempt was made to raise the attendant to secure the services of a doctor, there was no response. The result was that a death occurred; and when I wrote to the Department complaining, I was informed that the officer concerned had been suitably dealt with. Such occurrences should be prevented; and, although the Postmaster-General may consider my criticisms somewhat severe, he must remember that we have to hold him responsible, because we cannot go direct

to the officers. I feel sure that the promise made will be kept, because if conditions do not alter in connexion with the administration of the Postal Department, a change will have to be made.

I also desire to know what the Government intend to do concerning old-age pensions. Honorable members have been informed that the Government have not sufficient money to increase the amount; but, at the same time, no effort is being made to bring in an amending Bill to allow the pensioners to earn a little money. The Government must admit that, under the present abnormal conditions, old-age pensioners in many instances are experiencing considerable hardship in consequence of the high cost of living.

Sir JOSEPH COOK.—I am having an inquiry made into that matter.

Mr. AUSTIN CHAPMAN.—I am glad to learn that. I know the Treasurer is sympathetic, and I am able to value his promises more than those of the Postmaster-General, because the Treasurer has control of the purse. The Postmaster-General cannot do anything without the consent of the Treasurer.

I also desire to refer to the Defence Department.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! The honorable member is going beyond the amendment.

Mr. AUSTIN CHAPMAN.—Am I confined to the amendment only?

Mr. DEPUTY SPEAKER.—Yes.

Mr. AUSTIN CHAPMAN.—Then I cannot ventilate any grievance other than those connected with the amendment?

Mr. DEPUTY SPEAKER.—I have not prevented the honorable member from making a passing reference to different Departments, but I cannot allow him to deal with the administration of Departments in detail.

Mr. AUSTIN CHAPMAN.—Cannot I refer to grievances associated with the Defence Department?

Mr. DEPUTY SPEAKER.—I must ask the honorable member not to refer to other Departments in detail. He can make a passing reference if he so desires.

Mr. AUSTIN CHAPMAN.—When many of our soldiers in Government employment proceeded to the Front, they were informed that they would be treated as well as soldiers who were in private

employment. The Government led this House to believe that they would pay the war premiums which had been incurred by the soldiers on life-insurance policies. In view of this promise, some of the soldiers insured their lives and paid the war risk. When they applied to the Department for a refund of the premiums paid, the Department in some cases complied, but, after paying the amount, asked that it should be refunded. Is it fair that the men who risked their lives for their country should be asked on their return to make the payment, when the Government agreed to bear the expense?

Sir JOSEPH COOK.—To what is the honorable member referring?

Mr. AUSTIN CHAPMAN.—Some of the soldiers were under the impression that the life insurance premiums would be paid by the Government, and as they had no time to make final arrangements before leaving, they paid the premiums themselves. On their return, they approached the Government for a refund of the money, which was granted, but now the Defence Department has asked that it be returned, because of a request made by the Treasury.

Sir JOSEPH COOK.—I have never heard of it.

Mr. AUSTIN CHAPMAN.—It is an extraordinary position; but I believe if the facts are placed before the Assistant Minister for Defence (Sir Granville Ryrie), he will give the matter his careful consideration.

Sir JOSEPH COOK.—It is the first I have heard of it.

Mr. AUSTIN CHAPMAN.—Is the Treasurer prepared to say that the Government will treat the men as fairly as they have been treated by private employers?

Sir JOSEPH COOK.—We will do what we have promised.

Mr. AUSTIN CHAPMAN.—A section was inserted in the amending Defence Act which enables the Government to deduct the money from the salaries of the men if they do not make the necessary refunds.

Sir GRANVILLE RYRIE.—I have not heard of it.

Mr. AUSTIN CHAPMAN.—I have seen the notices that have been issued by the Defence Department.

Dr. MALONEY.—Look how the men in the Anzac tweed industry were treated by that gang.

Mr. AUSTIN CHAPMAN.—Having referred to the notice issued by the Defence Department, I feel sure that the Assistant Minister for Defence will follow the matter up, and if he approaches me, I shall be prepared to furnish him with full particulars. As the honorable member for Melbourne (Dr. Maloney) may desire to refer to the men in the Anzac tweed industry, I shall not detain the House longer.

Dr. MALONEY.—They were crucified by Senator E. D. Millen for the sake of Flinders-lane.

Mr. AUSTIN CHAPMAN.—I understand that the Treasurer has assured the honorable member for Hume (Mr. Parker Moloney) that he will meet his amendment.

Mr. PARKER MOLONEY.—He has not said anything of the kind.

Mr. AUSTIN CHAPMAN.—I am prepared to accept the Treasurer's statement. Honorable members have many grievances, and the best way of securing redress is not by embarrassing the Treasurer or the Government, but by plainly stating the facts, so that they will know what to do.

Mr. PARKER MOLONEY.—The Treasurer has not promised anything.

Mr. AUSTIN CHAPMAN.—I am prepared to accept the Treasurer's statement. Additional telephone facilities are required in my district, and if I can have the assurance of the Postmaster-General that attention will be given to our urgent necessities, I am prepared to hear what the honorable member for Melbourne has to say concerning Flinders-lane and the Anzac tweed industry.

Dr. MALONEY (Melbourne) [9.38].—I understand the amendment of the honorable member for Hume (Mr. Parker Moloney) refers to the Postal Department. I have had brought under my notice the cases of business men transferring from one office to another who have been unable to get the instruments transferred. What I desire to impress upon the Postmaster-General (Mr. Wise) is that if we are held up by the rights of any invention, it is time this Parliament passed a patent law to prevent any invention being exploited in Australia unless it is manufactured here. A similar law has been passed in England, and we should

not be at the mercy of Trusts and Combines controlling inventions. In the boot trade, for instance, the machines installed are not sold to the manufacturers, but merely rented.

I would like to refer at some length to the Anzac tweed industry, but as I would probably not be in order, I will merely make one allusion to it. The fact remains that the men working in that industry are earning £5 or £6 a week, and are turning out a splendid article. At the present time, the Government are charging too high a price for the tweed. The factory will have nothing to do with Flinders-lane. Senator E. D. Millen stated an untruth, and the Department caused the Assistant Minister for Defence (Sir Granville Ryrie) to submit a report which was a fake. The man who established the factory was squeezed out by Senator E. D. Millen. I am alluding to Sergeant Sinclair, and I believe that the men stopped work for two days as a protest against his treatment. The Anzac tweed is good enough for any man on God's earth to wear, and the only reason that there are not hundreds of men earning from £5 to £6 per week in the hand-weaving industry is the action taken by Senator E. D. Millen on account of Flinders-lane. I am told that the men have declared that they will not allow a single yard of cloth to go into a Flinders-lane warehouse. Why should these octopuses in the "Lane" be allowed to rob the community right and left? Honorable members have only to read in the *Hansard* of the Victorian Parliament what is occurring. The Flinders-lane interests are so strong that the Premier of Victoria is afraid to prosecute.

One honorable member referred to the wireless plant in Sydney, purchased from the late Father Shaw. With that plant the Government could manufacture nearly everything required for telephones. There is no great difficulty in the making of a telephone.

Mr. LAIRD SMITH.—There is. They cannot be made in Australia.

Dr. MALONEY.—They were made here twenty-five years ago by a man who is in business in Elizabeth-street to-day. We should start the local industry at once, and, if the patent rights interfere with us, let us pass a law that no patent will be recognised in Australia unless the patentee manufactures locally.

Mr. WEST.—There are only German patents, and they were rendered invalid during the war.

Dr. MALONEY.—The inventors, on behalf of the trust, hold Australia in their grip.

Sir JOSEPH COOK.—I wish to heaven we could get telephones.

Dr. MALONEY.—Then adopt my suggestion. If it is the patent rights that are holding us up, imitate the legislation passed in the Mother Country! Great Britain will not recognise the patent of any continental invention which is not manufactured in the United Kingdom.

Sir JOSEPH COOK.—I was under the impression that a provision to that effect was inserted in the Patents Act. I know that the matter was discussed in the House.

Dr. MALONEY.—If there is not such a provision in the Act, I shall claim the Treasurer's assistance when the opportunity arises for making the necessary amendments.

Mr. ATKINSON (Wilmot) [9.35].—Every session we have a debate of this character; generally it occurs on the Estimates. I have been in this House a good many years and session after session we have debated the question of mail, telephonic, and telegraphic facilities in country districts, but very little has ever come of the discussion. Something ought to have been done, but the amendment which is before the House is not required, because the Postmaster-General (Mr. Wise) has already made an honest attempt to do something in accordance with the requests we have made in the past. I am told that in parts of my own electorate the postal facilities are not as good as they were fifty years ago, and reference to the records proves that statement to be true. I have never been able to understand the policy of carrying mails past the station for which they were intended to the terminus, and then sending them back next day. I was glad to hear the Postmaster-General say to-night that he is already endeavouring to remedy that practice by experimenting with the South Australian system, and he has promised that if these efforts are not a success other steps will be taken, even to the extent of re-establishing the travelling post-office.

The honorable member for South Sydney (Mr. Riley) has complained of the

removal of pillar-boxes and the reduction of other facilities in urban areas. What are those disabilities compared with the curtailment of the facilities in country districts—the closing of post-offices at inconvenient hours and the reduction of mail services? What disabilities are city people suffering compared with those that have been imposed upon country residents? In any case, there is no comparison between the country and the cities so far as the solid prosperity of the nation is concerned. Where would all the dwellers in the cities be but for the country industries? About 75 per cent. of the wealth of Australia is derived from primary production. I appeal to the honorable member for South Sydney to look at this matter as a business man, and if he does so, he will see that we cannot afford to dry up the main sources of our national income. The country interests must be fostered and increased by all possible means.

The telephone service in the back country is a great help to land settlement. People will not live in the backblocks away from all the conveniences of civilization unless they are given rapid means of communication with the nearest town. Isolation is a very serious matter for people in the bush. A saw-mill is often established a long way from any township, and without telephonic communication the people working and living about the mill are in a serious position. Accidents are frequent in connexion with a saw-mill, and unless there is means of quickly summoning medical aid the results may be fatal. Very often fatalities do occur, which might have been avoided had it been possible to summon medical aid in reasonably quick time. Hitherto when the extension of telephone facilities to the back country has been asked for, a guarantee has been required by the Department. Now no guarantee is asked, and I am glad that the Postmaster-General is making an honest attempt to reform the methods of the Department. We cannot expect everything to be done in a day, especially when so many accumulated arrears have to be wiped off before the Minister can do many of the things he wishes to do. The present Postmaster-General is the first, to my knowledge, who has made a really solid effort at reform

in the right direction, and I give him all the credit he deserves. He has wiped out the guarantee, and country districts are receiving the telephones they require without having to submit to what was a very serious handicap in the past.

Mr. PARKER MOLONEY.—The honorable member knows that that is not true. Services are not being given without a guarantee.

Mr. ATKINSON.—Services have been granted lately in my electorate, and I am under the impression that the usual guarantee was not insisted upon.

Mr. STEWART.—Then the honorable member must be doing better than I am.

Mr. ATKINSON.—At any rate, it is my impression that no guarantee was given. We know that the extension of these facilities in the country is delayed by the lack of material. We cannot expect the Postmaster-General to purchase wire at a fabulous price if, by waiting a little time, he can buy at a reasonable price. People in the country are not unreasonable; they do not expect the earth. But they do feel that they are entitled to some consideration in their task of reclaiming the wilderness. They have gone into the back country and wrestled with the forest primeval. In parts of my own electorate, where forests stood a few years ago, beautiful farms and smiling homesteads are to be seen today. When the settlers first went there they could not see ten yards ahead of them because of the density of the forest. People who have had the pluck to carve homes out of the wilds in this fashion are entitled to decent facilities, and I am glad that at last the Government are realizing that fact.

In regard to allowance and semi-official post-offices, the people who conduct them confer a great benefit upon the settlers. I know that in many instances, although the volume of business is not very large, the people in charge are tied to the offices all day.

Mr. PARKER MOLONEY.—The honorable member expects them to live on sympathy.

Mr. ATKINSON.—An improvement in this matter has been effected recently. We know the record of the Postmaster-General in this House, and that, as a private member, he advocated the granting of better postal and telephonic facilities

to country districts. Deputations have waited upon him in the hope that he would make the best possible effort to carry out the policy he advocated as a private member of this House. I say that the honorable gentleman has honestly attempted to do that. The proof of that is that he has achieved something, and has taken steps in the right direction, which is more than can be said for any Postmaster-General who preceded him. I agree with the honorable member who moved the amendment, that telephone facilities should be extended in the country districts, and that a drought allowance should be paid to mail contractors. But I point out that the Postmaster-General has taken steps to do those things which he is being blamed to-night for neglecting to do. He gave an assurance some days ago that a drought allowance would be made to mail contractors, and that the money to enable that to be done would shortly be available. When a request is made to the Postmaster-General in this public way to do these things, people outside will not unnaturally come to the conclusion that he has been remiss, whilst, as a matter of fact, he deserves our thanks for what he has achieved in the direction desired.

The Postmaster-General has made an endeavour to better the lot of the people in charge of allowance post-offices.

Mr. MCGRATH.—We have had no promise about the allowance post-offices.

Mr. ATKINSON.—I presume that the honorable member knows that, some days ago, it was stated that something like £67,000 was to be added to the amount to be paid for allowance post-offices.

Sir JOSEPH COOK.—The Post and Telegraph Department received £487,000 more than the estimate of expenditure last year. That is the best proof of what the Government are trying to do.

Mr. ATKINSON.—I hope that officers in charge of allowance post-offices will receive better treatment than has so far been accorded to them; but I appreciate what has been done. I know, from letters I have received from some of them, that they also appreciate what has been done. Whilst I agree that expenditure must be kept within reasonable bounds, I feel sure that the Postmaster-General will not regard his Department as primarily a money-making Department, and I trust that the people who have

charge of allowance post-offices will be remunerated according to the work they perform, rather than upon the basis of the revenue received from the offices they control. If the honorable member for Hume (Mr. Parker Moloney) would put his amendment in a different form, which would avoid the suggestion of reproach of the Postmaster-General for not doing enough, or for having done nothing, I should not have so much objection to it.

Mr. RYAN.—Is the honorable member suggesting some different form of wording for the amendment?

Mr. ATKINSON.—The way in which it has been discussed to-night would lead to the impression that the Postmaster-General is greatly to blame. I say that he is not to blame, because he has brought about a vast improvement upon the conditions that existed before, and, therefore, I am not prepared to support the amendment as it stands.

Mr. GREGORY (Dampier) [9.54].—I am pleased with the debate which has taken place. I represent probably the largest constituency in Australia, and it is one in which, in the past, there has been serious cause for complaint in the matter of postal, telegraphic, and telephonic communication. The honorable member for Hume (Mr. Parker Moloney) should be very pleased with the discussion that has taken place on his amendment, because, since I have been a member of this House, I have never heard so definite a pronouncement as we have listened to to-night of Government policy in favour of the extension of country services. There can be no doubt as to the way in which country districts were starved in the matter of postal, telegraphic, and telephonic facilities during the régime of the last Postmaster-General. I have no wish to reflect upon a gentleman who is not now a member of this Chamber. Some may think that his policy to make the Postal Department a paying concern was justified. I believe that to be a wrong policy. In my view the 1½d. stamp should carry a letter from any part of this country to any other part of it, as well as from any part of a city to another part. Every year there has been a demand made for increased facilities and more liberal regulations in order to induce people to settle in the back country. There have been frequent interviews

with the Postmaster-General, and with the Prime Minister himself, to urge that better consideration should be given to country requirements. The promises received to-night show that there is a keen desire on the part of the Government to liberalize conditions in connexion with the administration of the Postmaster-General's Department. The Postmaster-General has issued new regulations, but they are not as liberal as we could desire. However, from the promises made by the honorable gentleman to-night, followed by the assurances of the Treasurer, honorable members may be satisfied with the result of this discussion. There is one part of the amendment which I could not agree to in any circumstances. The honorable member for Hume asks us to pass a motion calling upon the Postmaster-General to pay a drought allowance to mail contractors for the year 1920, and leaving nothing at all to his discretion, no matter what may have been the conditions under which contracts were entered into.

Mr. PARKER MOLONEY.—The honorable member is a good apologist for the Postmaster-General.

Mr. GREGORY.—I am not an apologist for the Postmaster-General. The first part of the honorable member's amendment appealed to me.—

Mr. PARKER MOLONEY.—It did before tea.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! The honorable member for Hume is out of order, and I ask him to cease his interjections.

Mr. GREGORY.—I think it would be discreditable for this House to pass an amendment instructing a Minister of the Crown, without power to investigate the conditions of their contracts, to pay a drought allowance to all mail contractors. Some of the contracts may have been entered into when the prices of fodder were falling; and yet the amendment would compel the Postmaster-General to make an allowance to those who entered into contracts under those conditions. Under no circumstances could I be induced to vote for that.

I hope that some special effort will be made by the Postmaster-General to secure the best advice possible in order to make wireless telegraphy applicable to the needs of the back country. Most of the pastoralists possess motor cars, and it

should be possible to secure sufficient power to effect wireless installations in many outside districts. We know that men who went to the Front after a very short period of training, and very little experience, were able to send wireless messages from aeroplanes; and when it was possible for them in so short a time to acquire sufficient knowledge of wireless telegraphy to make use of it in that way, the Postmaster-General should consider whether it is not possible to make any effectual use of wireless telegraphy to add to the facilities of communication with out-back places.

I should like the Government also to give serious consideration to the proposals that have been made for the purpose of carrying mails by aeroplane around the north-west and north-east coasts of this country. The Government should do all that they possibly can in the interests of the people to make a business proposition of commercial aviation. A big proposal of this sort has been placed before the Postmaster-General and the Defence Department. We have only to look at the maps in Queen's Hall to see the necessity for developing the northern portion of Australia. We cannot expect people to go to those parts unless we give them facilities for readily communicating with other parts of the Commonwealth.

I am satisfied with the assurance given by the Postmaster-General (Mr. Wise), so strongly indorsed by the Treasurer (Sir Joseph Cook), who promises that all funds, in reason, will be supplied. That ought to carry out the definite and liberal policy of the Postmaster-General. If he does not live up to it, we shall have an opportunity of dealing with him in a little while.

MR. GABB.—We are sick of hearing that sort of stuff.

MR. DEPUTY SPEAKER (Hon. J. M. Chanter).—I have several times called for order, and honorable members have taken no notice of the call. I ask them to desist from interjecting.

MR. GREGORY.—I move—

That all the words in the amendment after "the" be left out with a view to inserting in lieu thereof the words:—"House approves of the proposals of the Postmaster-General to further liberalize the postal and telephone facilities in country districts."

I feel sure that the promises made by Ministers to-night will be kept, and that every effort will be put forth to provide

the facilities which we have been demanding for country districts. I should think that the honorable member for Hume (Mr. Parker Moloney) would accept my amendment.

MR. PARKER MOLONEY.—No; I want something definite.

MR. MARR (Parkes) [10.4].—I second the amendment moved by the honorable member for Dampier (Mr. Gregory). There is no Department under the control of the Commonwealth Government that comes in for more criticism than does the Post and Telegraph Department. It has been held up to ridicule and discussed, both inside and outside this House, ever since Federation was brought about. Quite recently, in another place, a senator described the Sydney post-office and telephone exchange as the worst in the world; but if the description he applied to it is a correct one, it is the fault of this Parliament, and not of the officials of the Department. When the magneto exchange was in operation in Sydney, the Government of the day decided to change it to a common battery system, and the officials proposed to install a 3,000-section board, but as the Treasurer of the day cut down the vote by one-half, they were not able to install more than a 1,500-section board, to which it was intended to transfer 1,500 subscribers. But before the work was completed there were 1,500 new subscribers for whom accommodation had to be provided. The Government thereupon voted the money to install a second 1,500-section board, but before that was ready there were another 1,500 new subscribers to be accommodated. This piecemeal system was followed until there was absolutely no room in the exchange in which to establish another section board, and it became necessary to put up a second exchange; but the fault was entirely due to the fact that the Department had been starved for funds ever since the Commonwealth assumed control of it. The present Postmaster-General (Mr. Wise) has not been long enough in office to accept any of the blame, and his immediate predecessors are not particularly responsible. The blame is attachable to all the Prime Ministers and Treasurers of the past.

According to the honorable member for Hume (Mr. Parker Moloney), it is possible to build telephones and telephone exchanges in Australia, and the honorable member would be correct in his assertion

if only the material were available. Certain telephonic material cannot be obtained in Australia.

Mr. HECTOR LAMOND.—What class of material?

Mr. MARR.—Steel suitable for electrical equipment is not obtainable in Australia. Men have been exploring here, without success, for the last ten or fifteen years, to obtain a steel particularly suitable for this class of work. It is perfectly true that there are men in Australia who could do the work as well as it can be done in other parts of the world if they had the material available.

Mr. MAKIN.—As an engineer, I say that the steel can be manufactured here.

Mr. MARR.—Then the honorable member knows more than I do.

Sir JOSEPH COOK.—The honorable member for Parkes has been in the Postal Department nearly all his life, and, of course, he knows nothing about it!

Mr. MARR.—I have been over twenty years in the Department, and fifteen years of that period in the engineering section, so that I should know a little bit about it.

On top of the muddle at the Sydney telephone exchange, following upon the institution of the common battery system, the penny telephone bureaux, instituted by a previous Postmaster-General, became so popular that they caused a tremendous rush on the Department, which immediately was the means of creating further chaos in the exchange.

There are many things tending to inefficiency in the Post Office which are not due to anything done by Postmasters-General, Labour, National, or Liberal. I am a believer in settling arguments in the Department by resort to the Arbitration Court, but it is this practice of having matters decided by an outside tribunal that has tended largely to inefficiency in the Service. For instance, the Arbitration Court stipulates that a post-office earning a certain amount of revenue must pay a specified salary to the officer in charge. The consequence is that, instead of the officer who has probably been instrumental in building up the revenue of a particular office getting the higher salary attaching to it, when its income reaches a certain figure, another official senior to him has to be transferred to take charge of that office. Quite recently, in New South Wales, it became necessary for the Public Service Commissioner to

transfer forty postmasters in order to provide two men with a £15 rise each, the expense incurred in paying the travelling allowances of these forty men and their families amounting to about £2,000.

Mr. RILEY.—Does the honorable member approve of that system?

Mr. MARR.—No.

Mr. RILEY.—Then, the present is an opportune time for the honorable member to express his disapproval of it.

Mr. MARR.—This is a matter over which Parliament has no control, nor is it the fault of any Government. It is the fault of a system which compels the transfer of any postmaster who succeeds in making his office efficient.

We have the assurance of the Treasurer that there are plenty of funds available for the extension of telephonic facilities, but the great trouble is the shortage of material, and that shortage is not confined to Australia; it is world-wide. If honorable members could go to America and purchase automatic telephones and bring them to Australia, the Postmaster-General would take all they could obtain. A friend of mine who served in the Australian Imperial Force, and one of the ablest engineers in the Postal Department, visited America in association with an engineer from the British Post Office in order, if possible, to purchase telephone supplies there for Great Britain. They were not successful in doing so.

Mr. RILEY.—In Great Britain they make their own telephone material.

Mr. MARR.—Only to a very small extent. It only shows how world-wide is the shortage of telephonic material.

There are one or two little grievances I would like to ventilate in connexion with the Post Office, particularly in relation to the Parkes electorate. People resident in the outskirts of Belmore are really in the Lakemba district, but the Department instructs them to have their telegrams addressed *via* Belmore. If messages are expected on a Saturday afternoon they are to be addressed *via* Campsie. If their friends write to them they are advised to address the letters *via* Canterbury. If their friends wish to visit them they are invited to come to Lakemba. Postal sorters are supposed to have a knowledge of all the towns and little settlements of the Commonwealth. If a letter is addressed to Timbuctoo, and there is no receiving office there, the

sorter is supposed to know that it must go *via* Jericho. As a matter of fact, the sorters have to pass a test to show their fitness to fill the posts they occupy, and why should the public be instructed to tell them how a letter should go, whether it should be despatched *via* Newcastle or *via* Maitland, or *via* any other town? I would like the Postmaster-General to see if this matter cannot be rectified, so that towns like Belmore may have their mail matter and telegrams addressed to where the people really reside.

Mr. RYAN.—Would the honorable member be good enough to tell the House what are the "proposals" mentioned in the amendment of the amendment of which he wishes us to approve.

Mr. MARR.—The proposals outlined in the Postmaster-General's statement. The honorable member for Dampier (Mr. Gregory) has referred to the question of wireless telegraphy. I think honorable members are agreed that the Postal Department has quite enough to do without taking over the control of wireless, and that the progress of wireless would be retarded by its transfer to that Department. Wireless to-day comes into touch with four different Departments of the Commonwealth. It affects the Defence Department, the Department of the Navy, the Navigation Department, and the Postal Department. It is time that we had a distinct Department for its control. The accountancy work relating to it might be carried out by one of the existing Departments, but if wireless is to be exploited in Australia to the extent that it ought to be, it must be made a distinct branch of the Service. Wireless telephony is rapidly coming into prominence, and by means of it the back blocks of Australia could be linked up. We should have a wireless department with a well-equipped laboratory for the carrying out of experiments, and tests designed to further this science. There is no science which is likely to be so applicable to the industrial and general life of Australia as wireless telegraphy and telephony, but the Postmaster-General's Department ought not to be saddled with this new branch when it cannot properly attend to all the business already under its control.

It has been stated that the Commonwealth Government paid the life insurance premiums of officers who went to the

war, and that they have now been called upon to make a refund. I understand that that demand for a refund applies only to officers in the Permanent Forces.

Sir JOSEPH COOK.—Whatever promise was made will be kept.

Mr. MARR.—Members of the Commonwealth Public Service generally who joined the Australian Imperial Force have not been called upon to make a refund of the amounts paid on their behalf in respect of life insurance premiums.

In 1912, there were in the Defence Department in New South Wales four warrant officers—some of them with over thirty years' service—who were in receipt of a salary of £260 a year. The Defence Department offered them commissioned rank, provided that they would accept the minimum rate of pay of £250 per annum. The majority of these men went to the war. Before they went, they had risen to the rank of captain, but were still receiving only £250 per annum. One of them returned with several decorations; another, who retired quite recently, had reached the rank of lieutenant-colonel, but was still receiving only the pay of a lieutenant. Still another came back with the rank of major. I refer to Major Lynch, than whom there is no better instructional officer in Australia. The Department made him a substantive major on the staff, but he is still receiving the paltry salary of £250 a year, which he was drawing in 1912. I have brought his case before the Department, but have received no satisfaction. I make no complaint against the Minister, but I hold that the Department might fairly be expected to see that proper treatment is meted out to these men. Major Lynch is to retire in September next, and in reply to an inquiry as to why he has not received an increase under the new scale of payments, he has been told that, after two years' further service, he will receive an additional £25 per annum. Since he is to retire next month, however, he will not obtain any advance. Every member of the Permanent Forces who has returned from the war should be taken back with the rank that he gained in the Australian Imperial Force. If he was worthy of that rank while in the Australian Imperial Force, he is worthy of it here.

Sir GRANVILLE RYRIE.—The trouble is that we cannot find places for them all.

Mr. MARR.—I doubt that. We are employing temporary area officers—men

who fill in their spare time by acting in that capacity—and if no other positions can be found for these permanent men with the rank which they secured while away, they might very well replace these temporary officers. The labourer is always worthy of his hire.

Sir JOSEPH COOK.—The Kitchener scheme contemplated the employment of senior officers in the areas.

Mr. MARR.—I shall not detain the House further. We all admit that the Postal Department is in need of a cleaning up, but I do not attribute to the officials of the Department the blame for what is going on. Not only in the Postal Department, but throughout the Commonwealth Service, we are paying disgracefully low salaries. The Chief Electrical Engineer of the Department, at the inception of Federation, was paid £750 per annum. To-day he is in receipt of only £900 a year for directing the whole of the electrical services of the Commonwealth; yet the Broken Hill Proprietary Company pays the electrical engineer on its mine £1,000 a year. Right down the ladder, the salaries paid by the Commonwealth are altogether paltry. In order to make the Service attractive, we must pay good salaries. If there is not sufficient work for the men already in the Service, let some of them be dismissed, but while they remain in the employment of the Commonwealth they should be well paid. For the last ten years we have averaged sixty-four resignations a month from the Service in New South Wales alone. This is due to the fact that men find that they can do better outside. To attract the best brains to the Service, we must offer reasonable inducements, and so secure efficiency.

Mr. PROWSE (Swan) [10.25].—The House has done good work this afternoon, inasmuch as not only the Postmaster-General (Mr. Wise), but the Treasurer (Sir Joseph Cook) has made certain promises which practically conform to the desires of honorable members and to the needs of the country. For these reasons, and these reasons only, I feel that the amendment moved by the honorable member for Dampier (Mr. Gregory) should be supported and the Government given an opportunity to carry out the promises that they have now made. Had those promises not been made, I, for one, would have been pre-

pared to take any steps, recognising the paramount importance of these matters to the people of the Commonwealth. I hope that the Government will speedily set to work to offer greater facilities to those people who are really raising wealth for this great Commonwealth, and that it will be duly recognised that in the giving of these conveniences the people in the country are not the only ones who are benefited. The telephonic communication given to them is not for them only, because it is a great advantage to the people in the townships and the cities with whom they can communicate. It facilitates business in every way.

Sir JOSEPH COOK.—One thing I think ought to cease at once. I think the Department ought to stop cutting away the privileges that we have got.

Mr. PROWSE.—The Postmaster-General has read to the House the terms of the proposed additional liberalization of postal and telephonic construction, but I must say that they are not as good as they appear in the reading. With the extreme cost of wire and other necessities required to construct these lines, 25 per cent. is a very heavy toll upon ten or twelve country subscribers who should have telephonic communication. Let honorable members compare ten or twelve rural connexions with the connecting of ten or twelve houses in a city. Each of those ten or twelve city houses needs only about a chain of wire, and it, therefore, becomes very much simpler to connect a house in a centralized portion of the community, although the people in the towns render no greater service to the community than do those in the country. The rural community render greater services to the people in the centres, and, therefore, there should be a general contribution to pay for connecting the rural portions of the Commonwealth with the centralized portions. The Government have made the promises referred to in the amendment of the honorable member for Dampier, and as I wish to give them an opportunity of carrying them out, I shall vote for that amendment.

Mr. RYAN (West Sydney) [10.29].—I am sorry that the constituencies have not had an opportunity of really viewing what has taken place in the House this afternoon. It would be a splendid object-lesson to them of the engineering that

goes on in the House in order to save the face of the Government, and of the insincerity that actuates some of our honorable friends opposite. The honorable member for Hume (Mr. Parker Moloney) has moved as an amendment, "That the Postmaster-General be requested to provide increased postal and telephonic facilities to country districts, and to grant a drought allowance to mail contractors for the year 1920." That is a perfectly plain and specific amendment. It is worded in the form of a request. The honorable member has been supported by speeches coming from our honorable friends opposite, some of them belonging to the Country party. An amendment has now been moved by the honorable member for Dampier (Mr. Gregory), who belongs to the Country party, to omit all the words after "That" in the amendment submitted by the honorable member for Hume, with a view to inserting the words, "This House approves of the proposals of the Postmaster-General to further liberalize the postal and telephonic facilities in country districts." He, therefore, proposes to substitute for the words moved by the honorable member for Hume, words which, so far from requesting the Postmaster-General (Mr. Wise) to do anything, are actually an approval by members of the House of the Postmaster-General's proposals. I could quite understand that some honorable members, if they were so inclined, might vote against the amendment of the honorable member for Hume, if they thought that the Government was doing its duty, but I cannot understand upon what reasoning or logic a member of the Country party, above all other parties, should move an amendment actually to give the stamp of approval of the House to the proposals of the Government. I congratulate the Government, and I congratulate the Treasurer (Sir Joseph Cook) on the success of the engineering that has taken place in the House this afternoon. I offer these congratulations in all sincerity, because he has succeeded in placing some of those who will support the honorable member for Dampier's amendment in an absolutely ridiculous position, and he will have demonstrated to the electors of Australia that those who support it and do not belong to the direct Minis-

terial party are dragged at the heels of the Government in the manner depicted by a cartoon published in a certain Sydney newspaper not so long ago. At an earlier hour of the day the honorable member for Dampier complained of the courtesy of an answer given by the Prime Minister to a question which he had directed to that honorable gentleman, and I then suggested to him that he could give practical effect to his protest by moving a motion. He said he did not think that could be done. The fact was that he did not intend to do it. He did not want to do it; but now we find that he is ready to move an amendment that will do the work of the Government better than it could be done by any honorable member sitting behind the Government.

Mr. PARKER MOLONEY.—Hear, hear! A convenient tool of the Government.

Mr. RYAN.—A convenient tool of the Government.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—If those words are applied to a member of the House they are disorderly.

Mr. RYAN.—What words are those?

Mr. DEPUTY SPEAKER.—"A convenient tool of the Government."

Mr. RYAN.—I do not think I said that.

Mr. DEPUTY SPEAKER.—The honorable member did say so, and I ask him to withdraw the words.

Mr. RYAN.—Well, I withdraw the suggestion that the honorable member is "a convenient tool of the Government," and say that he is a convenient instrumentality of the Government, which expresses my meaning just as well.

What are the proposals of the Postmaster-General that we are asked to approve? The whole phase of the proceedings in this House to-night has been completely changed; there is not now even a passive attitude on the part of some members of the Country party, but a complete change to a vote of confidence, and we are asked to approve of everything the Government has done, and propose to do, in the Postal Department. I wish to know specifically what the proposals are we are asked to approve. So far as I understood the Postmaster-General, he referred to a decrease in the amount of the guarantee in

connexion with certain country telephones, and intimated that such a change had already been made; but he specifically adhered, so far as I understand him, to the resolution of the Government on the question of a drought allowance. He does not intend to grant anything in the nature of a drought allowance.

Sir JOSEPH COOK.—Who says he does not?

Mr. RYAN.—I say that the Postmaster-General has not given any intimation that he is going to make any allowance for 1920.

Mr. WISE.—It is being made now.

Mr. RYAN.—In any case, the amendment moved by the honorable member for Dampier says nothing about a drought allowance, but specifically leaves it out.

Sir JOSEPH COOK.—You have been so obsessed with party trickery to-night that you cannot understand.

Mr. DEPUTY SPEAKER.—Order!

Mr. RYAN.—I do not wish that interjection withdrawn, because I take no notice of it or of the gentleman who made it. If it comes to a question of party trickery, we have had in the House to-night the best example I have seen since I came here, not only, on the one hand, of party trickery, but, on the other hand, of absolute simplicity and servility. We have witnessed the party Whips running to and fro, sitting beside this and that member whose votes were considered doubtful; then there were long conferences with the Treasurer, and when the numbers were found to be against the Government, the Country party supporting the Government withdrew from the chamber to consider the position.

Sir JOSEPH COOK.—Allow me to say that there is not a tittle of truth in that statement.

Mr. RYAN.—We can all believe our eyes, and everything took place, not only in the presence of honorable members, but in the presence of the press. We all heard the suggestion of the honorable member for Wilmot (Mr. Atkinson), who was "stone-walling"—I hope that is a parliamentary term—in order to keep the debate going until the honorable member for Dampier had put his amendment in order. It is a beautiful amendment for the Government, and I can quite understand how the right honorable the Treas-

surer chuckled. I admire the success of his move, because he has certainly succeeded in getting the Government instrumentality in that corner, who is the honorable member for Dampier, to do the work of the Government.

Mr. RILEY.—We can see that the Leader of the Country party (Mr. McWilliams) has nothing to do with it.

Mr. RYAN.—I should imagine the Leader of the Country party would have nothing to do with it. With his experience as a member, whatever he might have to say with regard to voting against the amendment of the honorable member for Hume, he would certainly advise his party not to be trapped into their present unfortunate position of having to vote for or against the amendment of the honorable member for Dampier. I do not care how those honorable members vote, it is a matter of indifference to me; but I wish to see the members of this House use the power that is undoubtedly theirs, and compel the Government to do the right thing in regard to the postal matters discussed.

Sir JOSEPH COOK.—We will do the right thing without compulsion.

Mr. RYAN.—That power can be exercised only by casting their votes in this House. The Treasurer has said that it does not matter how the vote goes—that it will not affect the Government or the position—but he only made that statement at a late stage of the proceedings when, no doubt, the reports of the Whips were somewhat favorable to the plan of the Government.

I intend to oppose the amendment of the honorable member for Dampier. I know it is moved without any sincerity, in order to convey a wrong impression to the public, and no one knows that better than does the Treasurer. Why are we not prepared to let the people see what is going on? Why all this trickery? Why these moves in order to throw dust in the eyes of the public? I am satisfied that we on this side have done good work in exposing the methods to which the Government descend in order to obtain the support of some of our honorable friends in the Government corner, who, through their inexperience, no doubt, will be induced to vote for this amendment. I hope, however, that the majority of honorable members will stand by

country interests, and cast a vote in favour of the amendment of the honorable member for Hume. The honorable member for Grampians (Mr. Sowett) has not yet expressed himself on the amendment of the honorable member for Dampier, and we may not know where he stands until the vote is taken; but he stated plainly and unmistakably that he was in favour of the amendment moved by the honorable member for Hume. It will be a remarkable thing, although not more remarkable than some things I have seen happen in this House, if the honorable member for Grampians and the honorable member for Swan (Mr. Prowse) are found ready to support an amendment which is the very negation of the views they expressed a few hours ago.

Sir JOSEPH COOK (Parramatta—Treasurer) [10.44].—I shall not take long, but I wish to say one or two words. The honorable member for West Sydney (Mr. Ryan) has for the last fifteen minutes been indulging in a piece of theatrical gasconading such as we are accustomed to see him indulge in, and all the while making clear the one fact that the "bottom has fallen out" of his little scheme to-night. If one thing is clearer than another it is that fact; and no wonder he rages like the Bull of Bashan, and threshes himself and attempts to thresh others into a fury; but the one thing written all over his effort is absolute and unqualified failure. That is the outstanding feature of the whole debate. I have had nothing whatever to do with it. I do not know who is going to vote with the Government, or who is not. But if I were a betting man, I would not mind staking a wager that when the numbers are up the Labour party will be found to be much more solid than will honorable members upon this side of the chamber. If there be anything certain in this world, that is certain. I am sure that honorable members of the Country party will appreciate all the kindly concession which has been exhibited towards them by the honorable member for West Sydney (Mr. Ryan), who has pitied them because of their inexperience of political life. Really, they are a lot of simple-looking persons in the Corner. But may I suggest to the honorable member for West Sydney that they know quite as much about things as he does?

Mr. McWILLIAMS.—There are men in this Corner who will not be fooled by either of you.

Sir JOSEPH COOK.—I am quite sure of that. I think my honorable friend will say that during his twenty years' experience of me I have never attempted to fool him. It is immaterial to me how he votes upon this question; but I hope that he will acquit me of any intention of endeavouring to persuade him to exercise other than an independent judgment. I am not going to lecture him as he has been lectured by the honorable member for West Sydney. I am not going to tell him that I am disposed to pity him and the other members of his party, and to look down upon them with kindly feelings. I shall not indulge in any such "tripe." I shall leave that to my honorable friend opposite, who is such a past-master at the business, but who to-night has cut a very sorry figure indeed. His trouble is not that the members of the Country party are being dragged at our heels, as he put it, but that they are not being dragged at the heels of his party. He thought that his own party were going to score to-night.

Mr. PARKER MOLONEY.—What did the honorable gentleman do to prevent us scoring?

Sir JOSEPH COOK.—I will tell the honorable member. I will tell honorable members exactly what we have promised to-night, in order that there may be no misunderstanding about it. We have told the House plainly that we are going to extend the mail services in the interior of this country. We are going to spend money more generously with a view to doing that. We have further promised—all these things have been said before, but honorable members opposite have been so obsessed with a desire to get a political party advantage out of this debate that they did not listen to the statements which have been made—that the new services this year will be reviewed, and any exceptional case of hardship will be treated fairly. That is a distinct promise, and the honorable member for Hume (Mr. Parker Moloney) heard me make it, although he has denied it half-a-dozen times to-night.

Mr. PARKER MOLONEY.—I said that I did not hear the Postmaster-General make it.

Sir JOSEPH COOK.—It is not the oppressed mail contractor in the country that he is after, but the scalp of this Government. If he can use our mail contractors to attain his object, they will prove just as good a stick as will anything else. Anybody could see the grin which was written all over his face to-night at the turn which events had taken.

Another promise which we have made is that we shall do our best to improve the telephonic services in country areas. We shall get telephones anywhere that we can get them, and if honorable members opposite know where telephone material can be obtained, I invite them to give us the information. I invite the honorable member for Hindmarsh (Mr. Makin), who has said that he is an engineer, and who has made asseverations as to the qualities of steel that can be produced here, to come along with that steel, and we will try and use it in the manufacture of telephones. Does he think that we are doing what we can to prevent these services being extended to the people? Why should we? Does a Government invite adverse criticism if that criticism can be honestly avoided? The supposition underlying all the arguments advanced by honorable members opposite is that the Government are a set of fools who court adverse criticism. I challenge the honorable member for Hindmarsh to bring along the materials of which he has spoken. He says that they are here. Let him bring them along, and the Government, if it can use them, will buy them at a reasonable price. The Government wish to purchase materials and to install telephones. I want them for my electorate, and every other honorable member wants them for his electorate. We have the money with which to purchase them, and if honorable members can furnish these materials they are acting a faithless part to this country if they do not bring them along.

Mr. MAHONY.—Is it not the duty of the Postal Department to make these arrangements?

Sir JOSEPH COOK.—What arrangements?

Mr. MAHONY.—To see that telephones are provided.

Sir JOSEPH COOK.—Of course it is. It is the duty of the Government to get telephones out of the ground. Only we cannot do it. I am sure that the honorable member for Dalley (Mr. Mahony),

the honorable member for Hindmarsh (Mr. Makin), and the honorable member for Hume (Mr. Parker Moloney) can do it. But we cannot do it. We shall do our best to get this telephonic material, and to see that the benefit of it is extended to the interior of this country. We shall do all that we have promised to-night as far as that is humanly possible. Do I make myself clear?

OPPOSITION MEMBERS.—No.

Sir JOSEPH COOK.—Then I shall content myself with making this statement to my own side of the House, the members of whom are intelligent enough to understand it.

Mr. GABB (Angas) [10.54].—I congratulate the honorable member for Hume (Mr. Parker Moloney) upon having submitted his amendment. During the early stage of the debate upon it, the attitude of Ministers was to turn up their noses and to say in effect, "Do as you like." But as the discussion proceeded, their airiness disappeared, so that I am convinced that the time that has been devoted to this matter has not been wasted. In regard to allowance postmasters, I do hope that a larger sum than £76,000 will be provided. There are thousands of allowance offices in Australia, and the amount I have mentioned will not go very far when it is distributed amongst so many officials. The Treasurer (Sir Joseph Cook) spoke of the Bulls of Bashan. But whilst there may have been a roar which reminded one of the Bulls of Bashan, there was also the shriek of the Australian parrot, and there was a bleat from the lambs over there. Like the honorable member for West Sydney (Mr. Ryan), I wish that the electors of Australia could have been here to see what was taking place in the chamber to-day. Since the dinner-hour, the two Government Whips and another special pleader have been in company with members of the Country party, pleading with them. I have great respect for some members of the Country party, as much respect for them as for any other members of the House, but I must believe my own eyes. I saw the Government Whips and the Treasurer in company with several members of the Country party. As the evening wore on, there was a group of five country members talking together in the corner. They

were pulled up, and went out, and a meeting of some kind was held outside. In fact, every member of the Country party left the chamber. Then they returned to the chamber, and one of them seems now to be inclined to reverse his attitude. Originally he supported the honorable member for Hume (Mr. Parker Moloney), and now he is voting with the honorable member for Dampier (Mr. Gregory), a complete change of front. When the Treasurer talked of underground engineering and political trickery, he forgot the proverb that "those who live in glass houses must not throw stones." On a recent occasion we, on this side, were told that if we wished the Country party to assist us in ousting the Government, we should be less rough in our methods. Last time we attacked the Government many members on this side hit the Country party harder than I thought they need have done, but that has not happened to-day. We did not attack the Country party to-day until we saw how they had decided to go. They cannot accuse us of having driven them into the arms of the Government.

Mr. JOWETT.—Will the honorable member allow me?

Mr. GABB.—At the present time I am not prepared to allow the honorable member anything. I know how he spoke on the amendment of the honorable member for Hume, and if he does not support the amendment by his vote, I shall know that my surmise in regard to the Caucus meeting of his party is correct. If, or the contrary, he stands by what he has said, I shall think him worthy to put interjections to me in the future, should he wish to do so.

Whatever may be said about shortage of materials in excuse for the delays in providing telephone communication, that shortage has had nothing to do with the reduction of the country mail services. To show how the country districts are treated, let me read a letter which I received from a constituent to-day. It was written from South Australia on the 23rd of this month, and is as follows:—

I am writing to you for information on behalf of the Point Pass Vigilance Association on the matter of increased postal facilities, which I hope are not all reserved for the districts of the members on the other side. Before the advent of the train we had a daily

mail by road. At first we had a daily train and mail. Since the train only goes alternate days we only get a mail on those days. The most we have been able to get is that the bags go as far as Eudunda, on the other days, and we may send in for them and the papers. We suppose that the postal authorities are keeping the telephone and telegraph revenue in mind.

The honorable member for Barker (Mr. Livingston), the honorable member for Wakefield (Mr. Richard Foster), and the honorable member for Wilmot (Mr. Atkinson) seem to be thoroughly satisfied that they have been able to get from the Postal Department all that they have asked for.

Mr. ATKINSON.—I did not say so.

Mr. GABB.—I have found the Deputy Postmaster-General of South Australia a gentleman to deal with, but I have not had 50 per cent. of my requests granted.

Mr. ATKINSON.—No one has said that he has got all that he asked for.

Mr. GABB.—The honorable member for Barker said that there was only one thing more that he wanted. That is not my experience. To send from Point Pass to Eudunda for mails and papers means to send a distance of about seven miles. If the Country party think that that is proper treatment for our hamlets and villages, I do not agree with them, and if they keep in power the Government that is responsible for this treatment of country residents, they will find that the people who sent them here are disappointed in them.

Question.—That the words proposed to be omitted from Mr. Parker Moloney's proposed amendment stand part thereof (Mr. GREGORY'S amendment)—put. The House divided.

Ayes	21
Noes	31

Majority	10
----------------	----

AYES.

Charlton, M.	Mathews, J.
Cunningham, L. L.	McWilliams, W. J.
Fenton, J. E.	Moloney, Parker
Gabb, J. M.	Ryan, T. J.
Hill, W. C.	Stewart, P. G.
Jowett, E.	Watkins, D.
Lavelle, T. J.	West, J. E.
Lazzarini, H. P.	Wienholt, A.
Mahony, W. G.	Tellers:
Makin, N. J. O.	McGrath, D. C.
Maloney, Dr.	Riley, E.

NOES.

Atkinson, L.
Bayley, J. G.
Bell, G. J.
Blundell, R. P.
Bruce, S. M.
Cameron, D. C.
Chapman, Austin
Cook, Sir Joseph
Cook, Robert
Corser, E. B. C.
Foster, Richard
Fowler, J. M.
Francis, F. H.
Gibson, W. G.
Greene, W. M.
Gregory, H.

PAIRS.

Anstey, F.
Blakeley, A.
Nicholls, S. R.
Page, James
Catts, J. H.
McDonald, C.
Brennan, F.
Tudor, F. G.
Considine, M. P.
Mahon, H.

Groom, L. E.
Jackson, D. S.
Lamond, Hector
Livingston, J.
Mackay, G. H.
Marks, W. M.
Marr, C. W. C.
Maxwell, G. A.
Poynton, A.
Prowse, J. H.
Ryrie, Sir Granville
Smith, Laird
Wise, G. H.
Tellers:
Burchell, R. J.
Story, W. H.

PAIRS.

Watt, W. A.
Bowden, E. K.
Rodgers, A. S.
Lister, J. H.
Higgs, W. G.
Best, Sir Robert
Fleming, W. M.
Hughes, W. M.
Bamford, F. W.
Hay, A.

Anstey, F.
Blakeley, A.
Nicholls, S. R.
Page, James
Catts, J. H.
McDonald, C.
Brennan, F.
Tudor, F. G.
Considine, M. P.
Mahon, H.

Question so resolved in the affirmative.
Amendment of the amendment agreed to.

Amendment, as amended, agreed to.
Sir JOSEPH COOK (Parramatta-Treasurer) [11.14].—Under standing order No. 241 I move—

That the words “Mr. Speaker do now leave the chair” be left out.

Mr. RYAN.—Shall I be in order in moving an amendment upon that amendment with a view to inserting further words?

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Until the amendment before the House has been disposed of the honorable member may not move a further amendment.

Mr. RYAN (West Sydney) [11.15].—I think that the words proposed to be omitted should stand in order to make the motion read as ridiculous as is the action of those responsible for it. I should like to see the House make some record of its disapproval of the continued existence of the War Precautions Act and the regulations thereunder. More particularly am I concerned with the expenditure of money under statutory rule No. 119 of 1920. That rule amends the War Precautions Shipping Regulations of 1918, and was laid on the table on the 5th August, 1920. It provides for authorizing the defraying of losses in connexion with the requisitioning of ships from the Consolidated Revenue Fund, and it repeals the previous War Precautions Shipping Regulations which specifically prohibited expenditure by the Government out of Consolidated Revenue of money in connexion with losses that might be incurred through the requisitioning of ships on the coast. I should like to know upon what grounds the Government repealed the previous regulation and made the statutory rule which I am now discussing. I desire also an expression of opinion from the House as to whether money should be expended in this way.

Ayes 32
Noes 20
—
Majority 12

AYES.

Atkinson, L.
Bayley, J. G.
Bell, G. J.
Blundell, R. P.
Bruce, S. M.
Cameron, D. C.
Chapman, Austin
Cook, Sir Joseph
Cook, Robert
Corser, E. B. C.
Foster, Richard
Fowler, J. M.
Francis, F. H.
Gibson, W. G.
Greene, W. M.
Gregory, H.
Groom, L. E.

Charlton, M.
Cunningham, L. L.
Fenton, J. E.
Gabb, J. M.
Hill, W. C.
Lavelle, T. J.
Lazzarini, H. P.
Mahony, W. G.
Makin, N. J. O.
Maloney, Dr.
Mathews, J.

Jackson, D. S.
Jowett, E.
Lamond, Hector
Livingston, J.
Mackay, G. H.
Marks, W. M.
Marr, C. W. C.
Maxwell, G. A.
Poynton, A.
Prowse, J. H.
Ryrie, Sir Granville
Smith, Laird
Wise, G. H.
Tellers:
Burchell, R. J.
Story, W. H.

NOES.

McGrath, D. C.
McWilliams, W. J.
Moloney, Parker
Ryan, T. J.
Stewart, P. G.
West, J. E.
Wienholt, A.
Tellers:
Riley, E.
Watkins, D.

It appears to me that the Government are charging to the Consolidated Revenue under the authority of this regulation, which no doubt was required by the Auditor-General, losses which should be properly borne by the shipping companies.

Sir JOSEPH COOK.—I rise to order. I submit that the only question the honorable member may debate at this stage is whether the words proposed to be deleted should be deleted. That amendment is specific enough, and until it is disposed of the honorable member may not discuss any other matter.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—The point of order taken by the Treasurer is that the honorable member for West Sydney (Mr. Ryan) is not in order in discussing general grievances upon the amendment to the amendment, namely, the omission of the words, "Mr. Speaker do now leave the chair under standing order 241." The honorable member for West Sydney will not be in order in continuing his remarks. The Chair has been very lenient in allowing a somewhat general debate upon the amendment moved by the honorable member for Hume (Mr. Parker Moloney) and the subsequent amendment moved by the honorable member for Dampier (Mr. Gregory), but the general debate under standing order 241 is now over. The words which have been inserted alter the meaning of the motion, and the only question before the House now is whether I do now leave the chair.

Mr. RYAN.—What is the question upon which the Treasurer has moved his amendment?

Mr. DEPUTY SPEAKER.—The question now before the Chair is—

That the House approves of the proposals of the Postmaster-General to further liberalize the postal and telephone facilities in country districts—Mr. Speaker do now leave the chair.

The Treasurer has proposed to omit the words, "Mr. Speaker do now leave the chair."

Mr. RYAN.—If these words are omitted may I again address myself to the question which remains?

Mr. DEPUTY SPEAKER.—The question then to be submitted from the Chair will be that the amendment, as amended, be agreed to.

Mr. RYAN.—Shall I be able to speak then?

Mr. DEPUTY SPEAKER.—That will depend upon the subject the honorable member desires to discuss.

Amendment agreed to.

Mr. RYAN (West Sydney) [11.23].—I am not prepared to agree to the question as amended, and I now move—

That the following words be added:—"and is of opinion that no money should be expended from the Consolidated Revenue Fund under authority of statutory rule 119 of 1920 amending the War Precautions Shipping Regulations of 1918, which was laid upon the table of the House on the 5th August, 1920.

Sir JOSEPH COOK.—On a point of order, I submit that the honorable member cannot intervene with a proposal of that kind. In the first place it has no relevancy to the question now before the House. In the second place the honorable member has a specific motion on the notice-paper relating to this very matter.

Mr. DEPUTY SPEAKER.—The amendment is not in order.

Mr. RYAN.—I am very sorry, sir, that you should have ruled my amendment out of order, and I am surprised that the Treasurer (Sir Joseph Cook), should have endeavoured to get it ruled out of order.

Sir JOSEPH COOK.—I remind the honorable member that it is half-past 11 o'clock.

Mr. RYAN.—I remind the honorable gentleman that he may move to "gag" me if he likes.

Sir JOSEPH COOK.—I do not wish to do so.

Mr. RYAN.—It is quite within the honorable gentleman's right to move that I be no further heard. I am surprised that the honorable gentleman, who is in a position to give information on the question I have raised, has not taken advantage of the opportunity to do so. I understand from the ruling, which I do not wish to dissent from, that I am confined to dealing with postal matters.

Sir JOSEPH COOK.—I hope the honorable member will believe that I am here to do just what he thinks I ought to do. I hope that will be clearly understood.

Mr. RYAN.—I clearly understand that, and I hope the right honorable gentleman will carry out any wishes I express. The motion now before honorable members deals with the granting of postal facilities in country districts. I think that telephone facilities in the cities have also been very much neglected, and there

should be something in the motion which will convey to the Postmaster-General and the Government the desire of honorable members that telephonic communication in the cities should also be improved.

Mr. PROWSE.—The honorable member thinks of that very late in the evening.

Mr. RYAN.—No, I have waited until the proper time.

Sir JOSEPH COOK.—May I make an appeal to the honorable member?

Mr. RYAN.—The matter will not take very long to decide. I think that honorable members should take the opportunity to convey to the Treasurer, and also to the Postmaster-General, that we desire that telephone facilities in the cities should be improved.

Sir JOSEPH COOK.—The honorable member is punishing the House at this time of the night.

Mr. RYAN.—I am not punishing the House. I tell the honorable gentleman that this matter will only take a few minutes.

Sir JOSEPH COOK.—There are not a few minutes to spare. Honorable members cannot catch their trains now.

Mr. RYAN.—If the right honorable gentleman will give me an assurance that the matter I refer to will be attended to, and will accept an amendment, I have no wish to further delay the House.

Sir JOSEPH COOK.—What matter?

Mr. RYAN.—The matter of the improvement of telephonic communication in the cities. We know that there are at least 10,000 telephones short in the cities. I know that there are firms in Sydney that have telephone instruments, but the Postmaster-General's Department is not taking advantage of the opportunity to purchase them.

Sir JOSEPH COOK.—Now that the honorable member has played his little part he wants to get back to the city. He never said a word about the city all night.

Mr. RYAN.—No, because I wished the discussion to be confined to the one subject.

Sir JOSEPH COOK.—Why? Because the honorable member wished to leave the birdlime alone.

Mr. RYAN.—The party on this side stands for the interests of the producers and the consumers. It stands not only for country but for city interests. The motion, as it now stands, approves of the

Postmaster-General further extending facilities in the country districts, and I move—

That the following words be added:—"and expresses the hope that he will take steps—

Motion (by Sir JOSEPH COOK) proposed—

That the question be now put.

Question put. The House divided.

Ayes	32
Noes	16

Majority	16
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AYES	16
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Atkinson, L.	Jowett, E.
Bayley, J. G.	Lamond, Hector
Bell, G. J.	Livingston, J.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marks, W. M.
Cameron, D. C.	Marr, C. W. C.
Chapman, Austin	Maxwell, G. A.
Cook, Sir Joseph	Poynton, A.
Cook, Robert	Prowse, J. H.
Corser, E. B. C.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Fowler, J. M.	Wienholt, A.
Gibson, W. G.	Wise, G. H.
Greene, W. M.	
Gregory, H.	
Groom, L. E.	
Jackson, D. S.	

Tellers:

Burchell, R. J.
Story, W. H.

NOES.

Charlton, M.	Moloney, Parker
Cunningham, L. L.	Ryan, T. J.
Fenton, J. E.	Stewart, P. G.
Gabb, J. M.	Watkins, D.
Hill, W. C.	West, J. E.

Tellers:

Mahony, W. G.
Riley, E.

PARS.

Watt, W. A.	Anstey, F.
Bowden, E. K.	Blakeley, A.
Rodgers, A. S.	Nicholls, S. R.
Lister, J. H.	Page, James
Higgs, W. G.	Catts, J. H.
Best, Sir Robert	McDonald, C.
Fleming, W. M.	Brennan, F.
Hughes, W. M.	Tudor, F. G.
Bamford, F. W.	Considine, M. P.
Hay, A.	Mahon, H.
Francis, F. H.	Mathews, J.

Question so resolved in the affirmative.
Amendment agreed to.

Resolved—

That the House approves of the proposals of the Postmaster-General to further liberalize the postal and telephonic facilities in country districts.

BUTTER AGREEMENT BILL.

Bill returned from the Senate without amendment.

House adjourned at 11.35 p.m.

Members of the House of Representatives.

Speaker—The Honorable Sir Elliot Johnson, K.C.M.G.

Chairman of Committees—The Honorable John Moore Chanter.

Anstey, Frank ..	Bourke (V.)	Hughes, Right Hon. William Bendigo (V.)
Atkinson, Llewelyn ..	Wilmot (T.)	Morris, P.C., K.C.
Bamford, Hon. Frederick Herbert (Q.)		Jackson, David Sydney .. Bass (T.)
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Wallace, K.C.M.G.		Lamond, Hector .. Illawarra (N.S.W.)
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Brennan, Frank ..	Batman (V.)	Mackay, George Hugh .. Lilley (Q.)
Bruce, Stanley Melbourne,	Flinders (V.)	Mahon, Hon. Hugh .. Kalgoorlie (W.A.)
M.C.		Mahony, William George .. Dacey (N.S.W.)
Burchell, Reginald John, Fremantle (W.A.)		Makin, Norman John Hindmarsh (S.A.)
M.C.		Oswald
Cameron Donald Charles, Brisbane (Q.)		Maloney, William .. Melbourne (V.)
C.M.G., D.S.O.		Marks, Walter Moffitt .. Wentworth (N.S.W.)
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Moore		Mathews, James .. Melbourne Ports (V.)
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	(N.S.W.)	McDonald, Hon. Charles .. Kennedy (Q.)
Charlton, Mathew † ..	Hunter (N.S.W.)	McGrath, David Charles .. Ballarat (V.)
Conidine, Michael Patrick	Barrier (N.S.W.)	McWilliams, William James Franklin (T.)
Cook, Right Hon. Sir Parramatta (N.S.W.)		Moloney, Parker John .. Hume (N.S.W.)
Joseph, P.C., G.C.M.G.		Nicholls, Samuel Robert .. Macquarie (N.S.W.)
Cook, Robert ..	Indi (V.)	Page, Earle Christmas Cowper (N.S.W.)
Corser, Edward Bernard Wide Bay (Q.)		Grafton
Cresset		Page, Hon. James .. Maranoa (Q.)
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Lawrence		Prowse, John Henry .. Swan (W.A.)
Fenton, James Edward ..	Maribyrnong (V.)	Riley, Edward .. South Sydney
Fleming, William Mont-Robertson (N.S.W.)		(N.S.W.)
gomerie		Rodgers, Hon. Arthur Stanislaus Wannon (V.)
Foster, Hon. Richard Wakefield (S.A.)		
Witty		Ryan, Hon. Thomas West Sydney
Fowler, Hon. James Perth (W.A.)		Joseph, K.C. (N.S.W.)
Mackinnon		Ryrie, Sir Granville de North Sydney
Francis, Frederick Henry Henty (V.)		Laune, K.C.M.G., C.B. (N.S.W.)
Gabb, Joel Moses ..	Angas (S.A.)	Smith, Hon. William Denison (T.)
Gibson, William Gerrard Corangamite (V.)		Henry Laird
Greene, Hon. Walter Richmond (N.S.W.)		Stewart, Percy Gerald .. Wimmera (V.)
Massy		Story, William Harrison .. Boothby (S.A.)
Gregory, Hon. Henry ..	Dampier (W.A.)	Tudor, Hon. Frank Gwynne Yarra (V.)
Groom, Hon. Littleton Darling Downs (Q.)		Watkins, Hon. David .. Newcastle (N.S.W.)
Ernest		Watt, Right Hon. William Balaclava (V.)
Hay, Alexander ..	New England	Alexander, P.C.
	(N.S.W.)	West, John Edward .. East Sydney
Higgs, Hon. William Guy Capricornia (Q.)		(N.S.W.)
Hill, William Caldwell ..	Echuca (V.)	Wienholt, Arnold .. Moreton (Q.)
		Wise, Hon. George Henry Gippsland (V.)

1. Sworn 27th February, 1920.—2. Sworn 3rd March, 1920.—3. Appointed Temporary Chairman of Committees,
4th March 1920.—4. Made affirmation, 5th March, 1920.—5. Election declared void, 2nd June, 1920.

—† Sworn 11th May, 1920.—6. Elected 10th July, 1920. Sworn 21st July, 1920.

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Principal Parliamentary Reporter.

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PUBLIC WORKS (JOINT).—Senator Foll, Senator Newland, Senator Plain.

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LIBRARY.—Mr. Speaker, Mr. Anstey, Mr. Fleming, Mr. Fowler, Mr. Higgs, Mr. Lamond, Mr. Mackay, Mr. Maxwell, Dr. Maloney, and Mr. McDonald.

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